



JOINT AUDIT AND ETHICS COMMITTEE

THURSDAY, 30TH JULY 2020 AT 13:30

ARTHUR SUITE, THE EXCHANGE, COUNTY HALL, PRESTON

(Please note this may be a conference call meeting)

JOINT AUDIT AND ETHICS COMMITTEE

MINUTES OF THE MEETING HELD ON THE 9TH MARCH 2020

PRESENT

Ms Karol Sanderson (Chair)
Mr David Jones
Mr Paul Richardson
Mr Russ Weaver

IN ATTENDANCE

Mr R Baker	Grant Thornton
Mr A Brown	Head of Finance (outgoing), Lancashire Constabulary
Chief Supt I Dawson	Lancashire Constabulary
Mr S Freeman	Chief Finance Officer, OPCC
Mrs J Greaves	Head of Legal Services and Monitoring Officer, Lancashire Constabulary
Supt S Osiowy	Lancashire Constabulary (from Item 17)
Mr D Rogers	Head of Finance (incoming), Lancashire Constabulary
Mrs J Taylor	Audit Manager, LCC
Mr G Winstanley	Grant Thornton
Mrs J Nicholas	Business Support Officer, OPCC

1. Apologies for absence

Mr I Cosh, Director of Resources, Lancashire Constabulary

DetSupt M Winstanley, Lancashire Constabulary

AUDIT Matters – Part I

2. Constitutional matters

Mrs Harrison confirmed that the Terms of Reference had been agreed by the Police & Crime Commissioner.

3. Disclosure of members' interests

In relation to Item 12 on the agenda, Mr Richardson declared, in the interests of transparency, that a family member was employed by Lancashire Pension Partnership but he did not consider that this represented a conflict.

4. Minutes of the meeting held on 9th September 2019

The Chair had requested that the Audit & Ethics business should be documented as separate Minutes.

Mrs Harrison advised that, constitutionally, they must remain as one set of Minutes as it is one Committee.

ACTION- JN to ensure the Minutes are one document with the Audit and Ethics business clearly denoted.

RESOLVED: Committee noted and agreed the Minutes.

5. Matters arising

Local Pension Partnership: Mrs Taylor confirmed that she and Mr Cosh had been discussing this and would provide a verbal update later in the Agenda.

6. Committee Members Reports

Mr Dobson had unfortunately been unable to attend the training day in November 2019 but had been provided with the paperwork. He had reviewed the information about IT security and had no concerns. He will give more detailed comment at the next meeting.

Mr Weaver reported that, with Mr Richardson, he had done some preliminary work looking at misconduct cases. It is anticipated that a full dip sampling will be able to start in the next quarter. He also advised that they were both experiencing problems logging in to the Constabulary's IT systems. Chief Superintendent Dawson and Mrs Greaves advised that

even members of staff experience difficulties. Chief Superintendent Dawson agreed to look into this.

The Chair confirmed that Members still have not been allocated email addresses Chief Superintendent Dawson will progress this.

RESOLVED: Committee noted the reports

7. External Audit – Audit Plan

Mr Baker updated the Committee on the Audit Plan. He reported that the Financial reporting Council was placing requirements upon auditors for increased challenge and scrutiny which had led to an increase in workload. An increase in the audit fee was in the process of being agreed in order to reflect this. He also reported that the national review of public sector audit, the Redman Review will be published in June and will impact upon all local audit activity. He confirmed that the Audit Plan will be presented at the next meeting.

RESOLVED: Committee noted the report

8. External Audit – Monitoring Report

Mr Winstanley informed the Committee that there had been significant good feedback from the Financial Workshops they held. Ms Sanderson said that Members were keen to attend the Workshop and asked Mr Winstanley to ensure that members are notified in good time of any upcoming Workshops.

ACTION: Grant Thornton to provide details of the workshops for the Members to arrange attendance.

RESOLVED: Committee noted the report.

9. Internal Audit Plan

Mrs Taylor presented the Internal Audit Plan for the period from 1st April 2019 to 30th November 2019. The Committee noted that there was flexibility in the time estimates and that the single day for audit of pension administration was likely to increase and that a review of recruitment and on-boarding was included due to the recent increase in recruitment.

RESOLVED: Committee noted the report.

10. Internal Monitoring Report

Mrs Taylor presented the Internal Monitoring Report which detailed 139 days of the audit being complete of the 200 plan.

The Committee discussed the report in detail and welcomed the improvements and information provided specifically in relation to work completed on follow-up reviews.

The Committee were concerned about the issue of Business Continuity planning, particularly given the current situation around COVID-19 and requested a presentation from the Constabulary at the next meeting on this subject.

ACTION: Ch Supt Matt Horn to attend next JAEC meeting to present Constabulary Business Continuity Plan

RESOLVED: Committee noted the report.

11. Risk Management Strategy

Mrs Harrison presented the Risk Management Strategy Report. The Chair thanks Mrs Harrison for the interesting and insightful report.

RESOLVED: Committee noted the report.

12. Pension Scheme Audits

Mrs Taylor presented a verbal update.

Internal Audit will work with the Lancashire Pension Partnership to determine if statutory requirements are being met by the Fund.

The Constabulary have requested that internal audit review a number of business processes undertaken by the fund including:

- Business Continuity arrangements (particularly cyber security)
- Whether Tax limits are being correctly applied
- HMRC payment processes

Mrs Taylor will scope and identify the number of days expected to be necessary for the Audit which applies to all Police Pension Schemes.

Chief Superintendent Dawson commented that he will amend the Constabulary's Risk Register as appropriate.

13. Joint Audit & Ethics Workplan – 2020/2021 – Audit Business

Chief Superintendent Dawson reported that the Constabulary Risk Register has been amended to reflect advice from committee at a previous meeting.

RESOLVED: Committee approved the Work Plan

14. Urgent Business

None.

15. Dates of future meetings

Noted.

Audit Matters - PART II – PRIVATE AND CONFIDENTIAL

The following matters will be discussed in private as it involves the likely disclosure of exempt information as defined in the Freedom of Information Act 2000.

16. HMICFRS Inspection Reports

Ethics Matters – Part I

On behalf of the Committee, the Chair welcomed Superintendent Stasia Osiowy to the meeting.

Minutes of the meeting held on 9th December 2019

The Minutes were reviewed and cleared as an accurate record of the meeting.

Matters arising

Addition of an independent/academic member to the Ethics business

Members considers that the addition of a specialist member would assist the work of the Committee. The options of co-opting an academic member or advertising the role were discussed. Superintendent Osiowy confirmed that discussions had taken place with Mrs Harrison about identifying interest from local universities and a meeting date had been agreed.

Mrs Harrison advised that, if this were to be implemented, it would be necessary for the proposal to be reported to the Police & Crime Commissioner and the Committee noted this.

ACTION: Superintendent Osiowy to advise the Committee of the date of the meeting.

17. Key Issues Update

Mr Freeman provided an update to the Committee including the following:

Police Officer Recruitment
Spending Review
PCC Elections

RESOLVED: Committee noted the update.

18. Committee Member Reports

None reported.

19. Update on the Constabulary's Tactical Ethics Committee

Supt Osiowy presented the minutes of the Force TEC meeting held on 27 February 2020. The meeting had been observed by JAEC member David Jones. The TEC meeting had discussed 2 issues: Positive Action and Dress Code and agreed actions, including representatives of the Committee meeting the Deputy CC. The Committee noted that the TEC was working to address : concerns about Positive Action around fairness and general understanding within the Force; the out- of- date Dress Code

The Committee discussed the issues at length and felt that there were a lot of positive actions emerging from the TEC's meetings.

The Committee also discussed the process by which the TEC linked to other areas of the Force Superintendent Osiowy confirmed a link was provided by that members of the TEC who were on the Valuing Difference and Inclusion Committee. Matters for discussion came from the TEC members and also from areas of the Force where change was being implemented and an ethical perspective was sought. Supt Osiowy felt that the Committee profile was increasing. Members felt that including the TEC within this Committee's scope was a really positive addition and felt that both Committees would benefit from working closely together. There was discussion about the way in which the 2 committee interacted and their respective roles.

Mr Richardson thanked Superintendent Osiowy for this interesting report and for the work she had been undertaking with the TEC.

RESOLVED: Committee noted the update.

ACTION: Superintendent Osiowy to update the Committee on how it and the OPCC could work with the TEC in future.

20. Dip-Sampling of Complaints and Grievance Audit

Mr Richardson presenting a report on the dip sampling of complaints which he had carried out with Mr Weaver. The report noted the appropriate use of service recovery to deal with

complaints. The Professional Standards Department was praised for its openness and the assistance provided to committee members. The Committee asked for a report to the next meeting on how organisation learning is taken from the complaint process, and communicated to the force.

An audit of Grievances had been carried out for the first time and the Committee noted that the report was very positive. Mr Richardson praised the openness and assistance provided by the HR department in carrying out this audit. Concerns were raised about delays in implementing a revised process for dealing with grievances, apparently arising from the need for legal input and other approval processes. It was hoped that the new system would be implemented by the time of the next audit.

The Committee noted the Report.

ACTION: Det Supt Winstanley to report to next meeting on communication of organisational learning.

21. OPCC Ethics Plan – Update

The Committee noted Mr Freeman's report.

22. PSD Update

A report will be provided to the next meeting.

23. Joint Audit & Ethics Committee – Workplan 2020/2021 – Ethics Business

There was discussion about the role of the Committee, its interaction with the TEC and membership. Members considered that the addition of a specialist member would assist the work of the Committee and it was agreed that enquiries would be made about co-opting a member from one of the universities in the first instance with a further review of membership in 6-12 months' time. There was also discussion about the type of issues which the Committee might explore including digital & data ethics and stop & search.

The Committee noted and agreed the Workplan presented at Item 23.

24. Urgent Business

None.

25. Date of future meetings

The Committee's next meeting is being held on Monday, 8th June 2020.

Monday, 14th September 2020

Monday, 14th December 2020

