



**JOINT AUDIT COMMITTEE (JAC)  
Public Minutes**

Notes of the meeting held on 04 September 2024 at 13:00

**Attendees:**

Sue Davis	Chair
Faye Lloyd	Committee Member
Jon Darling	Committee Member
Jane Heppel	Chief Finance Office, PCC
Lynn Joyce	Head of Internal Audit - PCC
Laurelin Griffiths	Grant Thornton
Scott Green	Deputy Chief Constable, WMP
Pete Gillett	Director of Commercial Services – WMP
Sue Dehal	Head of Financial Accounting and Tax – WMP
Fiona Fletcher	HMICFRS Liaison Officer - WMP
Melissa Horton	Senior Assurance and Risk Manager – WMP
Wasim Ali	Deputy Police & Crime Commissioner - OPCC
Simon Down	Head of Policy - OPCC

**Plus, one notetaker**

<b>651</b>	<b>Item 1 - Apologies</b>  Apologies were noted for <ul style="list-style-type: none"><li>• Fiona Pook</li><li>• Jonathan Jardine</li><li>• Simon Foster</li></ul> The Chair welcomed the two new members of the Committee, Faye Lloyd and Jon Darling.
<b>652</b>	<b>Item 2 – Declarations of Interest</b>  There were no declarations of interest raised.
<b>653</b>	<b>Item 3 – Minutes from Previous Meeting</b>  The minutes of the previous meeting held on 27 June 2024 were agreed as an accurate record of proceedings.
<b>654</b>	<b>Item 4 – Matters Arising (Not on Agenda)</b>  There are no matters arising.

**Item 5 – PCC Accountability and Governance Framework**

*Presented by Simon Down*

- Following his reappointment as Police & Crime Commissioner, Simon Foster has decided to take a slimmed down approach to holding the Chief Constable to account.
  - Wasim Ali has taken on the role of Deputy Police & Crime Commissioner and recruitment will shortly take place for the role of Victims Advocate. This role will be politically restricted and report to the PCC and Chief Executive.
  - Both of these roles will join the Accountability & Governance Board which replaces the Strategic Policing and Crime Board. This meeting will have more of a focus on performance and look more at targets and issues faced.
  - An Advisory Panel has been set up which features 20-25 individuals from the community. Their induction session is due to take place mid-September. There is good geographic representation other than Solihull. The meetings will take place 4-6 times a year and will be closed meetings to ensure that a broader input can be gained from those in attendance.
  - The Ethics Committee is being reviewed and renamed but it will continue to operate and focus on Police data science and cover issues such as AI and Facial Recognition.
  - Scrutiny panels will be in place to engage with the public to scrutinise randomly selected use of force video footage to consider how recommended practice and guidance is being followed.
- The Joint Audit Committee has previously drawn members from the Strategic & Policing Crime Board (SPCB). Sue Davis addressed the concern that moving the audit committee to being fully independent means losing the wider knowledge previous members of the SPCB had, and asked whether any thought had been given to how it will be ensured JAC members are not losing that underlying sense of connection.

Jane Heppel suggested it was for the JAC members to set out what the need looks like. A PCC update is delivered to Police and Crime Panel and this could be delivered to the JAC members. Same could be requested from the Force. Visits to key Force and OPCC services can also be arranged to educate members further.

- Jon Darling asked how good the quality of data assessed is.

Simon Down said a lot of work across the Force to ensure quality of data is there.

DCC Green advised that for the last 18 months a Monthly Performance Day has been held to which Jonathan Jardine is invited to attend. There is also an open invitation to the data that the Force hold for the OPCC to use. This offer is in place to ensure that the OPCC has the same data so that both parties are reading the same story. The Force data is judged by the National Crime Recording Standards so is as accurate as it can be.

- Sue Davis asked how the new approach can be assessed to see if it is improving things.

Simon Down said that this would be seen through the increased engagement and ability to ask questions at the Accountability and Governance Board. There will be a public set of KPIs available for public view via the OPCC website to ensure transparency

	<p>Wasim Ali added that the meetings previously had a larger number of agenda items, as this was now 3 per meeting it gives the opportunity to drill down into the detail and focus on themes.</p>
<p><b>656</b></p>	<p><b>Item 6 – Police and Crime Plan – progress and key priorities</b></p> <p><i>Presented by Simon Down</i></p> <ul style="list-style-type: none"> <li>• The PCC is aiming for a tighter plan than previously with it being more accessible. The final document will be published on the website rather than a printed version.</li> <li>• The priorities are set out and being used to consult on, the intention is that each section has KPIs to monitor.</li> <li>• There will be further sub strategies, action plans and equality statements.</li> <li>• The whole organisation has been tasked to write the Plan with a project board, chaired by Jonathan Jardine, driving it forward. The Force are kept up to date and their input is also included.</li> <li>• A needs assessment has been undertaken and the Office is currently in the consultation phase. There has since been engagement at community events and the survey is in place to enable people to give their thoughts.</li> <li>• There will be a number of summits taking place in the coming month engaging with communities.</li> <li>• There will be lived experience groups looking to use existing relationships with providers and organisations delivering services to engage on the Office’s behalf.</li> <li>• The Call for Evidence allows organisations to submit data and policy in whichever format they wish.</li> <li>• This consultation will be finished in October, the writing will take place in October and November, the Formal Consultation will take place through November and December with the plan aimed to launch in February.</li> <li>• Both the Chief Constable and Police &amp; Crime Panel should be consulted.</li> </ul> <p>- Sue Davis thanked Simon Down for the update and suggested that once the plan and set of KPIs is in place a further conversation should be held with the committee on how they are going to be measured to look at how well it’s going and what progress is being made.</p> <p>- Faye Lloyd asked whether the OPCC were currently happy with the consultation survey completion numbers at this time</p> <p>Simon Down advised that responses were approaching 3000 and we’re happy with this but want more. There are a number of things happening in the coming months to help boost the numbers, these include public transport advertising and newspaper advertisements. Posters are also being distributed to businesses to encourage completion. It is hoped to see an increase in the numbers of young people completing the survey, it is hoped once schools reopen that these numbers will increase.</p> <p>Jane Heppel added that the top 10 requests from the public have been consistent and the top 5 are still the top 5. 92% of those completing the survey agree with the principles set. Any opinions shared that the OPCC were not expecting will be evaluated and analysed once the consultation has been closed.</p>
<p><b>657</b></p>	<p><b>Item 7 – Risk Management Update, including Force Risk Register and OPCC Risk Register</b></p> <p><i>Force risk register presented by Melissa Horton</i></p>

- Since the last meeting, the Strategy, Delivery and Assurance team has been split into two departments and Risk and Assurance now sits under the Corporate Development Team. As a result, there was some resourcing loss.
- A new Assurance Manager started yesterday and the Risk and Assurance Manager role that was not previously recruited to is due to close soon, the process this time is already proving more successful.
- Due to the recent promotion process within the Force, there has been some loss of Single Point of Contacts (SPOCs), there is a recruitment process underway to replace them.
- A maturity exercise to map the Journey taken by WMP has shown that the Force have not progressed as much as they would have liked, though they have moved from risk aware to a defined position. This exercise will be repeated until the Force are in a position they are satisfied with.
- There are no project risks to report this quarter, though it is anticipated that there are three projects due for closure over the next quarter which will be reviewed and any residual risks will transfer into business as usual and will transfer onto the risk register for consideration. The 3 Projects are Single Online Home, CMPG Speed Enforcement project and an In-House Driver Education Project.
- There are no new Corporate risks to report, there is only one in relation to the financial management risk which was previously on the corporate risk register which related to the Police Pay Award which has been announced at 4.75%.
- There are three items recommended for closure in the Corporate Residence, these were ratified with the DCC, these are Staff Right to Work Checks, Plato Embedded Learning and the PCC Transition to Mayoral Governance.

**Action: It was agreed that a Briefing Session would be booked in around Risk Management for the new Committee Members.**

- Jon Darling recognised there was only one risk on the Force Corporate Risk Register but appreciated the explanation provided during the report presentations and welcomed further discussion in the briefing session to be arranged

DCC Green clarified that there are lots of risks managed at a departmental level. The risks reported to this Committee are those to be addressed corporately, not at departmental level.

Peter Gillet and Melissa Horton provided further detail of how departmental risks are managed.

- Sue Davis said now that the committee is moving to being wholly independent, we do need to make sure we have the right balance in what we see. There will be a process we need to go through to make sure we have the right balance. This can be discussed during the briefing session.
- Faye Lloyd added that the issue may be with the paper as whilst risks may be managed, she felt she couldn't get a handle on the risks from the content in the paper and hasn't sat on the Committee previously. Faye welcomed the risk maturity approach.

*OPCC risk register presented by Jane Heppel*

- No new risks or further changes to risks were reported since the previous meeting.

	<ul style="list-style-type: none"> <li>- Jon Darling asked, with regards to the Business Continuity risk, is this down to a place that the OPCC are comfortable with?</li> </ul> <p>Jane Heppel confirmed that the scoring is based on industry advice and the potential for an outside agent creating a loss of service within the IT. Not only is this incredibly likely to happen, but the cost will be catastrophic. Critical incident training takes place yearly, running through what would happen if the Chief Executive were unavailable, the scenarios are worked through to understand the risk and ensure that there is resilience in place.</p> <ul style="list-style-type: none"> <li>- Sue Davis added that once the Police &amp; Crime Plan arrives the risk register will need to be amended.</li> </ul>
658	<p><b>Item 8 – HMICFRS Update</b></p> <p><i>Presented by Fiona Fletcher</i></p> <ul style="list-style-type: none"> <li>• HMICFRS came into Force in May/June to check on progress against the concerns listed. Pleasingly, they closed off 3 causes of concern, highlighting progress in Performance, with 1 concern outstanding around Investigations, which the Force are working hard on.</li> <li>• This week the Inspectorate are conducting a case file review via remote inspection of 100 cases from April-May 2024. Next week there will be an in-person inspection team in the Force conducting fieldwork, attending Local Policing Areas (LPAs) to meet officers and to look at workload and progress. It is anticipated that a further update around progress against the outstanding cause of concern will be received.</li> <li>• There are a number of recommendations held generally and these are governed through the DCCs HMICFRS Oversight Board. This has reduced considerably. Since the last JAC Meeting 47 recommendations have been closed, and from research WMP has the lowest recommendations open compared to any Metropolitan Force.</li> </ul> <ul style="list-style-type: none"> <li>- Faye Lloyd asked how the Force make sure that the improvements stick and are long lasting with no slippage.</li> </ul> <p>DCC Green responded that the organisation needs to continue to drive and deliver a culture of the only independent advocates acting on behalf of the public across the country are the HMI's. Secondly, Performance regime needs to be invested in properly. Previously the Performance Day was three hours only, it is now a full day and focusses on leading the whole of the Force in totality. Members are welcome to attend. Thirdly, the Force will continue to spend the next 2 years preparing for the next Peel Inspection. Finally, be more open, e.g. with OPCC.</p> <ul style="list-style-type: none"> <li>• <b>Action: It was agreed that a HMICFRS Glossary would be sent to Members.</b></li> </ul>
659	<p><b>Item 9 – Internal Audit Activity Update Report</b></p> <p><i>Presented by Lynn Joyce</i></p> <ul style="list-style-type: none"> <li>• 4 Audits have been finalised during the last reporting period, 3 are currently in draft.</li> <li>• Recommendations implemented or partly implemented are in the region of 75% and it is hoped this will increase to the 80s by year end.</li> <li>• There are some long-standing outstanding recommendations that are held open. When the recommendations are open for a long time a discussion will take place with the Force Exec Team lead around whether to accept the risk, leave it open or figure out how to address. It is hoped that within 4-6 months some of these will be closed.</li> </ul>

- Another big piece of work taking place is around the National Fraud Initiative, run by the Cabinet Office. Data is provided from the payment, payroll and pensions systems and matched against other public sector organisations for potential fraud or error. All of the results are returned and there are often several thousand to work through so these must be prioritised. The data is being prepared for submission in October and the matches should be released in January.
  - Proposed changes from CIPFA are still awaited with reference to the Public Sector Internal Audit Standard changes.
  - There are two substantial opinion audits to draw members attention to. The governance arrangements across two LPAs have been completed and the Team are encouraged by what has been found, there are strong governance regimes in place and although lots of meetings were held their remit was clear.
  - One audit received Limited assurance, this is in relation to Environmental Strategy. Due to a key member of staff being absent there was a lapse in governance and oversight of the strategy. The person has now returned from absence and has reinvigorated the lapsed boards so more scrutiny and oversight should be visible here moving forward and an action tracker is now in place to monitor the actions and core deliverables within the plan. It is hoped we will be in a position to sign off the audit recommendations in 6 months when a follow up takes place.
- Faye Lloyd asked whether there is anything coming through in the draft audits which is lower level assurance.

Lynn Joyce confirmed there are 3 at the moment which will fall into the limited or minimal category. These are currently out for consultation to agree management actions to address the recommendations.

- Faye also asked whether work around root cause analysis could be done around issues such as the Environmental Strategy audit?

Lynn Joyce confirmed this is done, but could be better. There have been previous discussions with the committee members about improving corporate knowledge and shared learning. This is not there yet, though Melissa Horton's organisational learning team do collect the actions coming out of audits and inspections to build into wider organisational learning.

There was a discussion around the structure of reports and the revision dates and the need to capture the balance of both initial recommendation target dates agreed and revised dates proposed. Realistic implementation dates and timelines should also be included.

Lynn Joyce agreed with this and advised that she would welcome feedback on the level of information provided in reports to the Committee.

There was a discussion around the change of culture and relationships between Internal Audit and West Midlands Police. Lynn Joyce noted that 8/9 years previously there was no relationship with the Command Team in West Midlands Police so it shows how far the relationship has come to be in the position we currently are.

<b>660</b>	<p><b>Item 10 – Anti-Fraud, Bribery and Corruption Policy</b></p> <p><i>Presented by Jane Heppel</i></p>
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	<ul style="list-style-type: none"> <li>• The Policy is a strategic bringing together and a framework for all of the other policies that sit beneath it and offers some explanation as to how fraud and the reporting of fraud occurs in a complicated kind of organisation such as a policing one.</li> <li>• Jane asked the Committee whether there were any changes that they could recommend within the document.</li> </ul> <p><b>Action: Jon Darling suggested that Paragraphs 6.2 and 6.3 were switched. This was agreed.</b></p>
661	<p><b>Item 11 – Treasury Management Outturn Report</b></p> <p><i>Presented by Sue Dehal</i></p> <ul style="list-style-type: none"> <li>• This report is a new report, this forecast is usually given out prior to year-end.</li> <li>• The Commissioner is legally required to produce an annual investment strategy, this is included as part of the Treasury Strategy statement.</li> <li>• Each year, the Commissioner is responsible for administering a capital program for any surplus revenue that are invested on a daily basis until they are acquired and then the Commissioner follows the Code of Practice.</li> <li>• Last year, the Force made £7 million in interest on investments and the budget was £5 million.</li> <li>• The current budget was originally £3.5 million and it just been upped to £6 million.</li> <li>• There are good rates of return at the moment, all the Force’s borrowing is with PWLB, as of March 31<sup>st</sup> the balance was £84.5 million. This was all at fixed rates and repayable up to 2072.</li> <li>• Analysis was carried out and it was found that the Force paid back two loans amounting to £20 million which reduced the overall debt from £104.5 million to £84.4 million.</li> <li>• In regards to breaches, the Force did exceed their NatWest current balance account. The limit is £65 million and there was a period of 15 days over the period of 3 months where cash health was in excess of £65 million. This was due to peaks in grant payments received and the timing of making suitable investments. There have been no further breaches since.</li> </ul> <p>- Faye Lloyd asked as to the size of the team.</p> <p>Sue advised that the Financial Accounting Team is Sue and 3 financial accountants to look at the cash flow. This has increased from £3.5 million to £6 million on budget which shows that if looked after it can work correctly.</p> <p><b>Action: It was agreed to share a copy of the Treasury Management Strategy with members.</b></p>
662	<p><b>Item 12 – External Audit Joint Audit Findings Report (Year ending 31 March 2024)</b></p> <p><i>Presented by Laurelin Griffiths</i></p> <ul style="list-style-type: none"> <li>• Although the final report has not been shared yet, the key message is that in general things are going well with good progress and engagement.</li> <li>• The Forces’ threshold is currently set at £12.5 million.</li> <li>• There is a lower materiality threshold for remunerations disclosure because of the public interest in that note.</li> </ul>

	<ul style="list-style-type: none"> <li>• The progress against the areas identified as serious risks is as follows: work is now complete on the presumed risk of management override of control; there is no significant risk identified related to the rebuttable presumed risk of fraud around IT.</li> <li>• The other 2 significant risks are the valuation of the PCCs properties and the valuation of the new Chief Constable’s pension liability. These are significant risks because of the numbers involved. These are estimated as they are very complex and even a small error in them can result in a big change.</li> <li>• In terms of the valuations work its fairly early days, nothing major is coming out of this work at this time. It is likely that evaluation experts may be needed.</li> <li>• Assurances are still awaited from the auditor of the West Midlands Pension Fund, this is expected this month. It is quite common that there may be some differences in the vision and the impact this has.</li> <li>• In terms of Value for Money, an initial risk assessment has taken place, at this time there needs to be a follow up on the work done with regards to the HMICFRS findings though there is nothing substantial expected.</li> <li>• The bulk of the work planned will be taking place in the next few months and Grant Thornton may be in a position to bring the Findings to the next meeting.</li> <li>• The fees for the year are higher than last year, this is due the new Government Audit contract.</li> </ul> <p>- Jon Darling asked if there were a post-audit washup planned to assess how the process went?</p> <p>Laurelin advised that there was nothing that Grant Thornton would wish to raise at this time though a meeting would be absolutely acceptable.</p> <p>- Sue Davis noted that the annual private meeting with Grant Thornton would take place at the next meeting of the Joint Audit Committee and it was suggested that the meeting could take place ahead of the meeting rather than afterwards.</p>
663	<p><b>Item 13 – JAC Work Programme</b></p> <p><i>Presented by Sue Davis</i></p> <ul style="list-style-type: none"> <li>• This item is just for noting, there are no changes noted.</li> </ul>
	<p><b>Date of the next meeting:</b></p> <p>Thursday 5<sup>th</sup> December 2024</p> <p>The Chair closed the meeting.</p>