



OFFICE OF THE POLICE & CRIME  
COMMISSIONER FOR NORFOLK



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CONSTABULARY  
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**MINUTES OF THE AUDIT COMMITTEE MEETING  
HELD ON TUESDAY 9 JANUARY 2018 AT 2 PM  
IN THE WROXHAM ROOM, JUBILEE HOUSE,  
FALCONERS CHASE, WYMONDHAM**

**Attendance:**

Mr R Bennett (Chairman)  
Mrs J Hills  
Mr P Hargrave  
Ms A Bennett

Also in attendance:

Mr J Hummersone	Chief Finance Officer (CFO)
Mr I Fearn	Head of Financial Accounting & Specialist Functions
DCC Nick Dean	Deputy Chief Constable
Mr J Mann	Policy and Research Officer
Mr C Hewitt	Manager, Ernst & Young
Mr C Harris	Head of Internal Audit, TIAA
Ms F Dodimead	Director of Audit, TIAA

**1. Welcome and Apologies**

The Chairman welcomed those present. Apologies were received from CC S Bailey, Mr M Stokes and Mr M Hodgson (Ernst & Young).

Before the start of the meeting the Chairman called a minutes' silence in memory of Robin Chapman.

**2. Declarations of Personal and/or Prejudicial Interests**

None reported. The Chairman reminded members of the need to update OPCC with any changes.

**3. To confirm the minutes of the meeting held on 5 September 2017**

The minutes were **agreed** and signed by the Chairman.

#### 4. Internal Audit - 2017/18 Audit Progress Report and Follow Up Report - 2018/19 Draft Internal Audit Plan

The Head of Internal Audit introduced the reports with further commentary from the Director of Audit.

The Committee noted that the fieldwork for all of the audits would be completed by the end of the year. Since the last meeting 6 final reports had been issued, 5 were at draft stage and 9 were scheduled. Remaining reports would be presented to the Committee on 17<sup>th</sup> April 2018 along with the Head of Internal Audit Opinion (required for the Annual Governance Statement).

The Committee raised various questions on the Procurement audit, including the controls around the Tranman fleet system and the lack of interface with ERP and non-compliance with Contract Standing Orders. Officers present gave further explanations and reassurances around the issues raised and the management comments described the actions in hand. Members sought and received confirmation from TIAA that these matters would be followed up.

The Deputy Chief Constable addressed the matters raised in the Data Quality – Athena audit report. He described the 2 dashboards in use, some of the work in progress and how these issues were being addressed by Athena Management Board. The Committee noted that the Athena system was very big and complex but accepted that there had been slow and steady improvement in the usability of, and use of, the system. A further business case and change programme were in train and work to improve data quality was continuing.

The PFI Projects audits had both resulted in Substantial Assurance assessments. The Committee was advised that better value and lower costs were being achieved on both projects.

The Director of Audit introduced the Follow-Up report. 10 recommendations had been implemented since the last meeting leaving 19 priority 2 recommendations outstanding, 15 of which had had their deadlines extended.

The Committee was advised that the Suffolk Audit Committee had raised a number of questions on outstanding recommendations, particularly those relating to ICT. The Suffolk CFO was progressing the matter.

The Committee asked about recommendation NSP1626 (Information Technology Infrastructure Library) Framework, Gap Analysis. It was not clear what the consequences of not implementing the recommendation were. **The CFO and Director of Audit agreed** to follow this up and report back to the Committee.

The Committee concluded that given the number of recommendations raised to have 19 priority twos and no priority ones outstanding was very satisfactory.

Finally, the Director of Audit introduced the second draft of the Internal Audit Strategic Plan and Annual Plan. This had initially been considered at the previous meeting. The columns headed '2017/18' would be completed for the final version.

The Committee was advised that Internal Audit was frequently asked to look at areas of business in the knowledge (management's) that limited assurance assessments might be forthcoming. The Committee reemphasised the need to ensure that the Plan covered the areas of greatest risk.

**The Director of Audit agreed** to collate any further responses (including from Suffolk), with a cross check to the Strategic Risk Registers, and bring a final version of the Plan to the April meeting of the Committee.

## **5. External Audit – Annual Audit Letter for the year ended 31 March 2017 - Audit Plan 2017/18**

The Audit Letter was presented by the Audit Manager (Ernst and Young LLP). It summarised the previous work and reports of the auditor with which the Committee was familiar.

The Chairman again expressed appreciation to the CFO and his team for the hard work on the accounts and a very satisfactory audit report.

The Committee was advised that Ernst and Young LLP had been reappointed as external auditors for Norfolk and Suffolk Police.

The Committee noted that the CFO would finalise the additional 2017/18 audit fees with EY.

The Audit Manager presented the Audit Plan for the 2017/18 Accounts. The Committee sought, and received, assurances that the reduced timescale for closing the accounts was manageable for the finance team and the auditors.

The Committee noted the appointment of Mark Hodgson in place of Kevin Suter as the EY Associate Partner.

## **6. Treasury Management**

The Committee noted the 2017/18 half year update on Treasury Management and the 2018/19 Annual Investment and Treasury Management Strategy Statement (TMSS). It raised a question on counterparty limits. **The CFO agreed** to discuss this with advisors. The TMSS would be included in the PCC's 2018/19 Precept and 2018/22 Medium Term Plan Report to the Norfolk Police and Crime Panel on 5 February 2018.

**The CFO agreed** to add the Prudential Code to the list of briefing topics for members.

The meeting closed at 3:45 pm.

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**Mr R Bennett**  
**CHAIRMAN**