

Joint Audit Advisory Committee

for

Cheshire Police and Crime Commissioner and the Chief Constable

Annual Report 2020

Chairman's Foreword

This is the 2020 annual report of the Cheshire Police and Crime Commissioner and Chief Constable's Joint Audit Advisory Committee ['the Committee'].

The Committee provides an independent assurance function to the Police and Crime Commissioner ['the Commissioner'] and the Chief Constable on the effectiveness of governance, risk and audit arrangements and controls in place, within the Office of the Police & Crime Commissioner and the Constabulary.

This has been an extra-ordinary year for us all. The appearance of Covid-19 has prompted committee members, finance staff at the Constabulary, the PCC and our Auditors to develop new ways of remote working that would have been unthinkable at the turn of the year. Meanwhile, frontline staff at the Constabulary have continued to go about their duties protecting the public despite the pandemic. The Committee would like to offer our thanks to all staff for the way they have supported the people of Cheshire during these extraordinary times.

The Committee comprises of a maximum of 5 members in total, a chairman and 4 members. The current four members all took up their posts in April 2017 following a successful recruitment campaign. Members of the Committee are appointed for the period of four years ending 31 March 2021.

Membership of the Committee is as follows:

Chairman

David Gilbert is a qualified accountant who has held senior finance positions including Director of Finance and Chief Finance Officer roles in a variety of NHS Organisations. He is currently a Non-Executive Director of the RJA Orthopaedic NHS Hospital in Oswestry where he is Chair of the Audit Committee. He also Chairs the Audit & Risk Committee at the Dudley Integrated Healthcare NHS Trust and a Member of the Health Financial Association's Governance and Audit Committee.

Vice-Chairman

Phil Bearpark is a Chartered Mechanical Engineer and has held a number of senior roles within the UK Rail Industry over the last 28 years. He still works part time in Rail and is now a Director of his own business and a Non-Executive Director of Heathrow Express. Phil is very experienced in audit, governance and risk management.

Members

John Pearsall is a fully qualified member of the Chartered Institute of Internal Auditors. He is also currently Head of Internal Audit, Risk and Insurance Services at Stockport Metropolitan Borough Council with overall responsibility for the delivery of assurance services to the Council. John is also currently a tutor, for the Chartered Institute. John has over 25 years of internal audit, governance, control and risk experience in both the public sector (three local councils) and the private sector (pharmaceuticals, retail and financial services).

Tony Snape is a Chartered Surveyor (Quantity Surveyor) who, following many years running the family building and civil engineering company, has held a variety of positions including: a consultant to Gleeds (Construction Consultants); a Non-Executive Director of the Manchester Building Society; Board Member of Great Places Housing Association. His voluntary roles have included: a Trustee of MOSI (Manchester Museum of Science and Industry) and Chair of the Seashell Trust (a charity for very disabled children) where he is still involved.

Members of the Committee bring with them a range of experience and skills which cover the various aspects of the Committee's work. Training has been available for members over the last 12 months which has ensured all members are able to contribute fully to the work of the Committee and fulfil their roles professionally.

2019/2020

The Committee business cycle runs beyond 31 March year-end as we generally consider draft accounts in May and reports on the Accounts from Grant Thornton our External Auditor in July. As a result of Covid-19 this cycle has been further extended for 2019/20 with a revised national deadline for the final audit report and signed accounts of end November 2020.

Meetings during the year have covered a wide range of topics with particular focus on monitoring the strategic risk management framework to ensure that risks were adequately assessed, recorded and mitigated where possible. The Committee has also reviewed the Commissioner's budget proposals and sought assurances that the budget provides sufficient flexibility to maintain sustainable services. In year, there has also been a focus on developments and benefits realisation within the Multi-Force Shared Service, cyber security and Estates principles.

We have received copies of the final Internal Audit Reports prepared by the Mersey Internal Audit Agency and have monitored the implementation of the agreed management actions arising from these reports. We were very pleased to receive a substantial assurance from MIAA our Internal Auditor that there is a good system of internal control designed to meet system objectives and that the controls are generally being applied consistently.

The Committee also considered the Commissioner's and the Chief Constable's Statements of Accounts and Annual Governance Statements to provide assurance that they complied with the relevant requirements. We agreed the plans of both internal and external auditors and received their reports which we have examined to ensure that Cheshire Constabulary maintains the high standards of governance, finance and audit that the people of Cheshire would expect. The Committee also monitored the implementation of recommendations agreed by management following audit reviews.

In addition, as required by our Terms of Reference the Committee has met separately with both Internal and External Auditors. The Chair and Vice Chair have had meetings with Senior Staff of the PCC and Constabulary. The Chair has also met with the PCC and Chief Constable.

A full list of the topics covered in the past year are summarised in Table 1 below:

Overview of topics discussed - November 19 to November 20							
	Nov-19	Feb-20	May-20	Jul-20	Jul-20 Mtg of Members	Oct-20 Extra Mtg	Nov-20
Briefing from							
Police and Crime Commissioner	✓	✓	✓	✓			✓
Chief Constable	✓	✓	✓	✓			✓
JAAC Annual Report	✓						✓
Annual review of JAAC ToR		✓					
Single Point of contact roles					✓		
External Audit: Audit Findings Report						Draft	Final
Annual Audit Letter	✓						Final
Ext Audit Plan		✓					
Progress Report			✓				
Annual Accounts				Draft		Draft	Final
Annual Governance Statement				Draft		Draft	Final
Letters of Representation						Draft	Final
Internal Audit Annual Plan		Draft	Final				
Internal Audit Progress Reports	✓	✓	✓	✓			✓
Head of Internal Audit Opinion			✓				
Management response to Internal Audit Recommendations		✓	✓	✓			✓
Custody Continuous Improvement Plan	✓						
Joint Strategic Risk Register	✓	✓	✓	✓			✓
MFSS		✓			✓		✓
MFSS Benefits Realisation Report					✓		
Cyber Security		✓			✓		
Service Assurance Plan	✓	✓	✓	✓			✓
Budget & Financial Strategy		✓					✓
Future Workplan			✓	✓			✓

The Committee is grateful to all who have given their valuable time to assist its work which has been well supported by senior staff from both the Constabulary and the Office of the PCC. We are particularly grateful to the Chief Constable/Acting Chief Constable who attended most of our meetings

Table 2

		Quorum: Minimum of two members of the Committee						
Name	Role	Nov-19	Feb-20	May-20	Jul-20	Jul-20	Oct-20	Nov-20
David Gilbert	Committee Chair	✓	✓	✓	✓	✓	✓	✓
Phil Bearpark	Committee Vice Chair	✓	✓	✓	✓	✓	✓	✓
Antony Snape	Committee Member	✓	✓	✓	✗	✓	✓	✓
John Pearsall	Committee Member	✗	✓	✓	✓	✓	✓	✓

As the Committee developed, members have been asked to focus on areas where they have a particular interest. These are areas where either the Chief Constable or the Commissioner would like some additional input or where the Committee considers that there is an issue pertinent to the Committee's work which may require further detailed attention. The members undertaking these roles are termed the 'single point of contact' for that area. The single points of contact are as follows:

- David Gilbert – PFI and Disclosure
- Phil Bearpark - Health and Safety;
- Tony Snape - Crime Recording and Property inc. Estates from July 2020
- John Pearsall - Change Management;

The future

The Committee will continue our consideration of a number of areas including developing the risk management arrangements, updates on the Medium Term Financial Strategy, reviewing recommendations from Auditors including monitoring the implementation of recommendations and the benefits realisation following recent changes to the Multi Force Shared Services. A recruitment exercise will also take place to fill vacancies on the Committee for March 2021 onwards.

Further information

For further information on the work of the Joint Audit Advisory Committee, its' Terms of Reference, Minutes and Agendas, please refer to the website of the Police and Crime Commissioner for Cheshire. <https://www.cheshire-pcc.gov.uk/search?q=audit>

David Gilbert FCCA

Chairman of the Joint Audit Advisory Committee of the Cheshire Police and Crime Commissioner and Chief Constable