JOINT AUDIT PANEL

Date: 4th April 2019
Time: 11:40 – 13:00
Venue: Room 422, Fourth Floor, Greater Manchester Police Headquarters, Northampton Road, Manchester, M40 5BP

Attendees
- Peter Morris (Chair)
- Ian Cayton (Panel)
- John Starkey (Panel)
- Foluke Fajumi (Panel)
- ACO Lynne Potts (GMP)
- Janet Moores (GMP – Delegate for Finance)
- Sara Ashworth (GMP - Planning & Policy Development Manager)
- Candice Simms (GMP – Minutes)
- Cath Folan (GMCA - Audit Manager (Police and Crime))
- Tom Powell (GMCA – Head of Audit)
- Chris Whittingham (Mazars – Senior Manager)

Apologies
- Richard Paver (GMCA – Treasurer)
- Cath Millington (Panel)

M010/JAP  Welcome & Apologies for Absence

Apologies were noted from the treasurer Richard Paver and panel member Cath Millington. The attendees from GMP, the GMCA, and the Panel introduced themselves.

M011/JAP  Urgent Business (if any) at the discretion of the Chair

None raised.

M012/JAP  Declarations of Interest

None raised.

M013/JAP  Approval of previous minutes
The panel noted the importance of the risk register and risk management report, as the topic has been raised significantly and requires addressing.

**M014/JAP  Terms of Reference**

The Chair noted how the terms of reference for the Joint Audit Panel would be tested as the meetings progressed. The Chair outlined the benefit of having terms of reference, and that training sessions held prior to the meeting will provide context in terms of the role that is undertaken by the Joint Audit Panel.

**M015/JAP  Risk Management**

GMP provided the framework for the refreshed risk management process. GMP provided detailed background to the panel regarding the necessity of the risk management report, noting that the report follows on from the Risk Management internal audit report and enterprise risk management training, where it was evident GMP needed to re-examine their risk management process. GMP noted the current risk management policy and procedure fell fairly well into the Chartered Institute of Public Finance and Accountancy (CIPFA) Good Governance Guidelines and the principles for managing risk. However, it was recognised that the Force would benefit through having more formalised processes to demonstrate compliance and increase assurance with regards to risk management.

GMP advised the scope of risk management has been revised to include all branches to ensure that risk management is integrated on a Force-wide basis. All branches are now required to report their risks quarterly to be considered by Chief Officers at GMP’s Executive Committee (ExecCo), in addition to preparing and signing risk assurance statements. GMP noted that risk toolkits have been provided to the branches, and the Risk Management Policy and Procedure is being updated to reflect and define the risk management arrangements. GMP concluded there will be enhancements to the Strategic Risk Register as a result of the improvements made to the risk management process.

GMP noted that the 2018 – 2020 Audit Plan will revisit the risk management area with management to assess the report on the current arrangements and the associated levels of independent assurance.

The panel noted the report and gave credit to GMP for the considerable amount of work undertaken regarding risk management. The panel agreed that an audit should take place in the near future to test the refreshed process and allow for a report to come back to the Joint Audit Panel.

The Chair revisited the query regarding an electronic library for viewing a suite of GMP documents. GMP advised this was unachievable due to computer security restraints. All members agreed a link for public documents could be placed on the public GMCA website. Private documents, such as the Strategic Risk Register, will continue to be provided on paper. The Chair noted that this would be revisited to ensure an effective approach is being considered.

**ACTION – GMP to update the Strategic Risk Register. To be brought to the July 2019 meeting.**

**ACTION – Cath Folan to add links to the public documents on the GMCA website.**

**M016/JAP  HMICFRS Integrated PEEL Assessment 2018 Greater Manchester Police**

GMP advised the draft HMICFRS Integrated PEEL report cannot be shared with the panel as the report is currently under embargo, with various areas of the report being challenged. GMP noted that the grading is similar to the 2017/18 inspection. An overview was provided to the panel on issues such as training for frontline officers and neighbourhood policing functionality, and how GMP are targeting those issues with the Target Operating Model (TOM) and Change Programmes. GMP noted the importance of the Panel
understanding the Target Operating Model, as this will be further reiterated with the Mayor and Deputy Mayor. GMP advised that part of the budget settlement and precept monies agreed for the current year will allow for recruitment of an additional 170 neighbourhood officers. GMP noted the delays in the integrated Operational Policing System (iOPS) and how they were affecting GMP’s ability to progress in areas involving technology, such as training and appraisal systems. GMP assured the panel that there is recognition in the body of the report regarding the substantial amount of work GMP are doing, although this will not form part of the overall grading until GMP have achieved results.

M017/JAP  Progress against Internal Audit Plan 2018/20

The Internal Audit Manager provided a summary on the progress of the delivery of the internal audit plan. Six internal audit reports have been completed since the December Joint Audit Panel, as referred to in Appendix A. The Internal Audit Manager noted that the work in progress detailed in Appendix C will come to future meetings when the reports have been issued.

The Panel queried when Risk Management and Procurement will be revisited, as minutes from the December Joint Audit Panel confirmed both were subject to additional consultation. Internal Audit Manager confirmed both feature in the 2018/20 Audit Plan and the scopes for the audits will be determined nearer to the time. The Internal Audit Manager highlighted that the proposals for risk management brought to the Joint Audit Panel today should address the issues raised in the original draft audit report.

ACTION – Cath Folan to update Audit Plan 2018/20 to include a further independent review of the Force’s Risk Management Arrangements.

M018/JAP  Post implementation reviews

The Internal Audit Manager gave an overview of the Seized Cash and Proceeds of Crime post implementation review, confirming satisfaction regarding action taken following the original report.

At the request of the Chair, members were provided with figures on the the average value of seized cash and the number of investigations relating to Seized Cash and Proceeds of Crime. The Internal Audit Manager also noted that in 2018/19 the volume of money returned to victims of crime was up by 200%.

The Panel queried where the unallocated balance from Seized Cash and Proceeds of Crime is held. GMP advised the balance forms part of the daily fund management undertaken by GMCA and any surplus money is invested in the interim.

M019/JAP  Internal audit action tracker

The Internal Audit Manager provided a summary of the internal audit action tracker and highlighted that the update in relation to the actions arising form the review of Prosecution - File Quality and Timeliness, informed that an extensive business case to develop and make significant change within the Criminal Justice Units takes the Force beyond the original actions. In view of this the Internal Audit Manager recommended that the Prosecution File Quality and Timeliness actions are removed from the tracker and proposed that this area is revisited in 2020/21 when the changes have been made.

The Panel queried how internal audit will keep track of this if the actions relating to the Prosecution - File Quality and Timeliness are removed from the tracker. The Internal Audit Manager advised it would be kept in their records and it will be considered for the 2020/21 Audit Plan.

The Panel queried the partial action update on Digital Evidence, where it was concluded that this action should be closed by April 2019.
The Chair questioned the frequency of bringing the internal audit action tracker to the Joint Audit Panel. The Internal Audit Manager proposed every six months due to the yearly meeting cycles and practicality. This raised concerns for the Panel as this could be viewed as too relaxed and suggested there needs to be a balance. The Panel noted the internal audit action tracker does not need to be brought back to the meeting inclusive of all internal audit actions, only those overdue/outstanding.

ACTION – Cath Folan to revamp the internal audit action tracker to reflect actions overdue. To be brought to the July 2019 meeting.

**M020/JAP  External Audit**

**Audit Strategy Memorandum 2018/19**

Mazars (external Auditors) gave a summary of the Audit Strategy Memorandum 2018/19, noting completion of their interim work (refer page 6 of report) which has not identified any issues or concerns. Mazars highlighted the significance of the payroll testing, with no issues reported to the Joint Audit Panel. Mazars outlined the significant risks and key judgement areas identified within the report, and how they will address them. It was also noted that Mazars are seeking guidance from pension experts to assist with the heightened risk of material misstatement.

Mazars advised on GMP’s 2018/19 Value for Money risks. GMP raised concern over the report, noting that it is important to consider both GMCA and the Deputy Mayor when establishing financial sustainability as a Value for Money risk. GMP noted that the report caveats GMP decision making with added complexity, whereby some areas are not Chief Constable decisions; they fall under the Deputy Mayor. It was concluded that more investigative work needs to be carried out by Mazars to develop a holistic view of the Value for Money risks and planned responses.

It was agreed that the Panel will need to see the financial budget report.

ACTION - Mazars to liaise with GMP Finance staff and report back to the Joint Audit Panel.

**M021/JAP  Any Other Business**

GMP highlighted an issue regarding Health and Safety. This relates to the underreporting of accidents. GMP are concerned there could be implications with not reporting this earlier. ACO Potts has asked Internal Audit to look at this.

ACTION – Internal Audit to schedule some time to look specifically at the reporting arrangement for accident reporting.