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**MINUTES OF THE JOINT INDEPENDENT AUDIT COMMITTEE**

**(WEST YORKSHIRE COMBINED AUTHORITY AND WEST YORKSHIRE POLICE)**

**HELD ON 18 OCTOBER 2023**

**PRESENT**

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| **INDEPENDENT MEMBERS**  | **OFFICERS PRESENT** |
| Mike Ford **(Chair)** | **WYCA** |
| Jeff Colley | Joanne Colley Business Manager, Policing and Crime |
| Helen Kemp | Gary Dowson, Head of Finance |
|  | Julie Reid, Head of Policing and Crime |
|  |  |
|  | **West Yorkshire Police** |
|  | Joanne Campbell, Internal Audit Manager |
|  | Julie Edwards, Head of Accountancy |
|  | Sarah Fraser, Superintendent, Corporate Services, WYP |
|  | Katherine Johnson, Assistant Chief Officer |
|  | Neil Rickwood, Head of Audit, Risk and Assurance |
|  |  |
|  | **External Audit** |
|  | Alastair Newall, Director, Mazars (online), item 8 |

| **Item** | **Title** |  |
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| **1.** | **Welcome and Apologies**  | Apologies from David O’Brien and Angela Taylor. |
| **8.** | **External Audit Reports** | These items were brought forward on the agenda due to the availability of Mazars colleagues. |
| **8.1****8.2** | **Audit Strategy Memorandum****Audit Completion Report** | Alastair Newall introduced the Audit Strategy Memorandum and the Audit Completion Report. The audit has progressed well and Alastair acknowledged the diligence of ACO Katherine Johnson, Head of Finance Julie Edwards and the WYP Finance Team in providing information and responding to questions. An unqualified audit opinion on the accounts should be available for November. There are two outstanding items, the first are standard letters on arrangements for prevention of fraud and compliance with laws and regulations and the second is on pensions. There are no internal control recommendations, or amendments to the draft accounts, which is pleasing.Mike Ford sought clarity on the pension asset. Alastair explained that there are two elements to pension accounting; the WYP share of the assets that West Yorkshire Pension Fund invest and the actuaries assessed liability for members who are in the pension scheme. The actuary updates their valuation of both the WYP share of the assets, and the valuation of the liability. Assumptions on the rate of increase of pensions, inflation, salary inflation is applied and in those assumptions is a discount rate. Each assumption impacts the value of liabilities.Between 2021 and 2023 the discount rate has changed and that has meant that the value of the WYP pension liability as part of the net position has decreased. This has affected the whole of the Local Government Pension Scheme, not just West Yorkshire Police. Consequently, the WYP pension asset is bigger than the value of its liabilities. Katherine Johnson confirmed that WYP, along with other local government bodies are looking to have discussions with the West Yorkshire Pension Fund about contributions.Helen Kemp asked why the Chief Constable’s report within the financial statements does not highlight risks which are outlined in the WYP Risk Register. The accounts focus on monetary risk, high-risk in this audit would be estimated expenditure. The WYP Risk Register focuses on operational risks. Jeff Colley asked if there were any anticipated issues with the outstanding letters, which there were not.The Committee gave formal thanks to Katherine Johnson and Julie Edwards for the feedback from Alastair about the Finance Team supporting the Mazars external audit. Thanks was also given to Mazars.**ACTION: WYP to organise a session with Mazars, Julie Edwards and Members to better understand the accounting procedures.****ACTION: Page 49 in the annual governance statement (and possibly elsewhere in the document) refers to the Queen’s Peace and should refer to the King’s Peace.****There is a misquoting in the report, the completion of the whole of government accounts applies to the Combined Authority and not the Chief Constable.** |
| **7.6** | **Draft Annual Accounts, including the Annual Governance Statement** | The draft annual accounts and the annual governance statement were addressed at this point in the agenda after hearing about the external audit on the accounts from Mazars.Members requested a concluding paragraph on the Annual Governance Statement. It was agreed that this would reflect CIPFA guidance to provide an evaluation and importantly provide members of the public with a digestible summary.Subject to the inclusion of the concluding statement, Members were satisfied with the accounts and would make a recommendation to the Chief Constable to sign them.**ACTION: Katherine Johnson to arrange for a concluding statement to be included in the Annual Governance Statement reflecting the positive judgement of effectiveness.** |
| **2.** | **Declaration of Interests** | None disclosed.**ACTION: Ensure David O’Brien completes the Members’ Interests form.** |
| **3** | **Record of Attendance** | Details of Member and Officer attendance are noted on the Minutes.**ACTION: Remove Katie Hurrell from the record of attendance.** |
| **4** | **Previous Minutes** | The minutes of the previous meeting held on 29 June 2023 were agreed as a correct record, subject to an amendment at page four, Treasury Management, where the minutes should reference Wakefield City Council, not Leeds City Council.**ACTION: to amend the minutes at page four to reference Wakefield City Council, replacing Leeds City Council.****ACTION: Send Members a link to the web page where JIAC information is published and link in with the Chair before publishing any information.**  |
| **5.** | **Matters Arising** | The items listed in this section need to be carried forward. All other actions/matters arising were closed.**Item Ref 5.1** – **Neil Rickwood** confirmed that Members will be included in the Internal Audit Plan consultation once ready.**Item Ref 5.2** – **Neil Rickwood** confirmed that the audit of Information Systems Asset Management Devices is underway, and a report will be provided.**Item Ref 5.3** – **Katherine Johnson** tohighlight for which areas of the Programme of Change the cost benefits can be identified.**Item Ref 5.4** – **Katherine Johnson** received clarity on the request to provide a figure for non-exceptional tenders and will consider how to present these to the committee.**Item Ref 5.6** – **Julie Reid** remember Member appraisals will come to a later committee, allowing time for the Chair appraisal to take place first. **Item Ref 5.7** – **Gary Dowson** to check if a JIAC Member/ Chair can attend the WYCA Treasury Management Advisor training.**Item Ref 5.8** – **Gary Dowson** Consider how the JIAC Chair reports to the WYCA Governance and Audit Committee. Invite the Chair to attend the next WYCA Governance and Audit Committee in January.**Item Ref 5.10** – **Mike Ford –** The committee agreed to continue to hold the meeting in private in view of the agenda and minutes being published on the WYCA website. This matter is now closed. |
| **6** | **Chair’s Update** | Mike Ford confirmed he has met with the Deputy Mayor for Policing and Crime and the Chief Constable; he gave a positive overview of the work of the committee. Mike attended the Police and Crime Panel meeting where he discussed the Policing and Crime Teams establishment of a new Ethics Committee and the change in approach to Risk Management at WYP was discussed. Mike also attends the Policing and Crime team Executive Group and the WYP Risk Management Group to promote his oversight and understanding of the wider work outside of the Committee.  |
| **7** | **West Yorkshire Police Reports** |  |
| **7.1** | **Business Update (verbal)** | Katherine Johnson provided a business update:**Budget** – Monitoring against the budget is on track. The budget accounted for a 3% pay award, the actual pay award was 7% of which the Home Office funded 4.25%, which is good news. Pay award increase is being considered in the Medium-Term Financial Forecast understanding that future increases may not be Home Office funded. Work is ongoing with the 2024/25 budget which will be done in consultation with the Mayor and DMPC.**Procurement** – A decision to disaggregate the four-force collaboration for procurement at a local force level. Multiple efforts have been made to seek independent consultancy to advise the four forces, after no bidders WYP are running an internal programme to have a local procurement team by the end of the financial year. It was noted that any associated risk would also affect the WYCA Policing and Crime Team, who use the same procurement services as WYP.**NPAS** – A decision was taken at an extraordinary NPAS governance board to create a new entity to take on the governance and asset ownership of NPAS. Blue Light Commercial are leading this work. The Mayor gave notice on NPAS in 2021. This decision is seen as a positive step forward. |
| **7.1.1** | **Programme of Change (verbal update)** | There are no new programmes on the Programme of Change and no exceptions to bring to the attention of the committee. |
| **7.2** | **Risk Management Update**  | Sarah Fraser updated the committee on the risk register. There are three red risks, one escalated risk and two improved risks.Members were satisfied with the update.**ACTION: Supt. Sarah Fraser to arrange a meeting with Members to provide context to the risk report against what is being reported publicly.** |
| **7.3** | **Tender Exception Report** | Katherine gave an overview of the report, highlighting that the figure is slightly lower than previous reports and anticipates that the next report will be of higher value. |
| **7.4** | **Internal Audit Progress Report**  | Neil Rickwood gave an overview of the progress report, highlighting he change in how the audits are recorded and listed. The HMICFRS Peer Assessment audit has been removed from the plan following the visit from HMICFRS to West Yorkshire. Good progress is being made on the plan. Mike asked about the role of the committee in the outcome inspection process, if any. It was confirmed that outcome report would be available for the committee to assess how the findings may impact the risk register. Internal Audit can support the response to recommendations. It was acknowledged that the inspection process has become more rigorous, with scoring benchmarks increasing to achieve grading. |
| **7.5** | **Internal Audit Annual Report and Opinion** | Neil Rickwood highlighted the strands of work which underpin the annual audit opinion and explained in more detail about the two audits which gave limited assurance. Jeff asked if the Internal Audit team are happy that the revised controls on these audits are effective, which the Internal Audit team are. He also asked about the continuation and monitoring of outstanding actions where interim solutions are in place, to which Internal Audit gave reassurance. |
| **7.6** | **Draft Annual Accounts, including the Annual Governance Statement** | Addressed earlier in the agenda. |
| **8****8.1****8.2** | **External Audit Reports** | Addressed earlier in the agenda. |
| **9** | **West Yorkshire Combined Authority Reports** |  |
| **9.1** | **Business Update (verbal report)** | Julie Reid provided a business update:**Male Behaviour Campaign** – The mayor launched a male behaviour campaign ‘Just Don’t’ which has been hugely successful.**Procurement Arrangements** – WYCA are increasing resources in their Commercial and Legal teams in preparation for the change in procurement practices.**Safer Streets Bid** – the Policing and Crime team have been successful in the Safer Streets 5 bid, securing £100,000 for crime interventions in public places.**Mayoral Safer Communities Fund (MSCF)** – Grant Round 5 of the MSCF has recently launched with a focus on multiple and complex needs.**Precept Consultation** – preparation is underway to engage with communities about the 2023/ 24 precept.**Home Secretary** – The Mayor and DMPC are meeting the Home Secretary to articulate the key issues affecting policing and community safety in West Yorkshire.Mike asked when the Police and Crime Plan will be refreshed in light of the Mayoral election in May 2023. Julie confirmed the Plan will be refreshed in 2024 when the Mayor is elected and able to determine the priorities. The Plan is based on the needs assessment and extensive public consultation as well as engagement with the Chief Constable. |
| **9.2** | **WYCA Risk Management Update** | Julie Reid highlighted two emerging risks and two improved risks.Members questioned one of the improved risks, and were satisfied with the update.**ACTION: Julie Reid to review the wording at Risk 2 and Risk 8 for an error in the typing relating to the Police and Crime Plan priorities.** |
| **9.3** | **Draft Annual Accounts** | Gary Dowson updated the committee, confirming the draft accounts are not yet ready. The 2022/23 accounts will be taken to the WYCA Governance and Audit Committee in January 2024, alongside the 2021/22 accounts. |
| **9.3.1** | **Annual Governance Statement** | It was noted that the WYCA Governance and Audit Committee sign off the WYCA Annual Governance Statement**ACTION: Members to feedback comment on the Annual Governance Statement to Angela Taylor and Gary Dowson. Namely, the reference to Joint Independent Audit and Ethics Committee and no reference to Wakefield Council, as well as Leeds Council.** |
| **9.4** | **Scheme of Delegation** | Julie Reid spoke about the statutory functions of the Mayor, how they are delegated to the DMPC, and to members of staff. Clarity was provided on the scheme of delegation, which allows WYP to sign contracts in the name of WYCA. The scheme of consent allows WYP to sign their own contracts because the Mayor has consented for WYP to enter into contracts in their own name. Members requested that the WYCA report is brought alongside the WYP report, for streamlining.**ACTION: Ensure papers relating to the Scheme of Delegation and the Scheme of Consent are brough to the Committee in tandem from WYP and WYCA.** |
| **9.5** | **WYCA Internal Audit Plan** | In the absence of Angela Taylor, it was acknowledged that the report gave a useful overview to members to provide reassurance from the WYCA internal audit team. The report should reflect whether an audit gives direct or indirect assurance. It is noted that Bronwyn Baker, Head of Internal Audit, should attend to present the audit which relates to the Police and Crime Team.**ACTION: Bronwyn Baker to attend JIAC to present the internal audit which relates to the Policing and Crime team.****ACTION: Bronwyn Baker to reflect which audits give direct and indirect assurance on the report.** |
| **10** | **Review of the JIAC Annual Workplan** | Members reviewed the workplan and requested that all parties of the committee have comment before the 2023-24 audit cycle.**ACTION: Joanne Colley to circulate the JIAC 2023-24 workplan to delegates of the committee for comment.** |
| **11** | **AOB** | None. |
| **Next meeting: 6 December 2023, WYCA, Wellington House, Leeds** |