



**MINUTES OF THE JOINT INDEPENDENT AUDIT and ETHICS COMMITTEE
(WEST YORKSHIRE COMBINED AUTHORITY AND WEST YORKSHIRE POLICE)
HELD ON 23 JULY 2021**

AUDIT SESSION

Video Conference.

MEMBERS PRESENT

Trevor Lake (Chair)
Julie Talbot
Julie Winham

OFFICERS PRESENT

Bronwyn Baker, Head of Internal Audit, WYCA (observing)
Joanne Campbell, Internal Audit Manager, WYP
Julie Edwards, Head of Accountancy, WYP
Paul D Grady, Grant Thornton
Katherine Johnson, ACO, WYP
Ellen Millington, Grant Thornton
Janine Nelson, Head of Policing and Crime Team, WYCA
Beverley Nichol-Culff, Head of Risk Management and Insurance, WYP
Julie Reid, Governance Manager, WYCA (notes)
Neil Rickwood, Head of Audit and Risk, WYP
Angela Taylor, Director of Corporate and Commercial Services, WYCA
Becca Tennyson-Mason, WYP (items 10 - 14)
Christopher Thompson, Information Governance Officer, WYCA (items 14 – 16)

1. WELCOME & APOLOGIES

Trevor Lake welcomed everyone to the meeting. No apologies were received.

2. DECLARATIONS OF INTEREST

None declared.

3. RECORD OF ATTENDANCE

Details of the member and officer attendance at previous meetings of the Committee were circulated for information, Trevor Lake noted 100% attendance from independent members.

4. MINUTES

The minutes of the meeting held on 19 March 2021 were agreed as a correct record.

5. MATTERS ARISING

Item 5.1 Origins HR Database

Katherine Johnson informed the meeting that work is underway on the updated version of the Origins HR database and this will include encryption. Encryption is not included in the present version but there are several mitigating controls including the fact that the database is held on a secure Force platform and is subject to regular penetration testing.

ACTION: Katherine Johnson to provide an update in January 2022 on the introduction of the revised Origins database.

Item 5.2 Police National Computer data loss

Katherine Johnson reported that all offence data relating to West Yorkshire has been recovered from the Police National Computer following a data loss incident earlier this year but there remains some residual issues regarding fingerprint data. The Home Office is responsible for the matter and support is being provided by Regional Scientific Support and the Metropolitan Police.

ACTION: Katherine Johnson to update Committee on the Home Office investigation of data loss from the Police National Computer

Item 5.3 Financial Systems Audit

Neil Rickwood confirmed that the West Yorkshire Internal Audit team will continue to audit financial systems in West Yorkshire Police.

Item 5.4 Reporting of Internal Audit reports to Committee

Neil Rickwood confirmed that the Internal Audit Strategy will include reporting to the Joint Independent Audit and Ethics Committee in advance of management responses, where necessary, in those cases of any delays in the responses in excess of 3 months.

Item 5.5 Commissioning and Grants Strategy

Julie Reid confirmed that the Commissioning and Grants Strategy is on the Committee forward agenda for October 2021.

Item 5.6 Scheme of Delegation (Sponsorship)

Angela Taylor reported on governance arrangements which were reported to the Combined Authority on 24 June, including PCC functions. Members were provided with the revised schemes of consent and delegation which retain the same arrangements as previously, as far as possible. These will be kept under review with the Mayor and Deputy Mayor for Policing and Crime (DMPC).

Julie Talbot sought clarity regarding the scheme of consent and was advised that the scheme had previously been in place in the Office of the Police and Crime Commissioner, no substantive changes have been made.

Julie Winham queried the role of the Combined Authority in approving the schemes and was advised that the Mayor is responsible for policing and crime functions, but the constitution includes these and other mayoral functions together for ease of use.

Members were advised that the schemes will be reviewed at 3 months and then 6 months for the first year, then annually thereafter.

Trevor Lake sought confirmation of the statutory officers and was advised that Ben Still is Head of Paid Service, Angela Taylor is S73 Finance Officer and the SIRO (Senior Information Risk Owner) and Caroline Allen is monitoring officer.

Trevor Lake sought clarity over signing of the Statement of Accounts and was advised that the Chief Constable's accounts will be signed in the usual way. The Group Accounts (including PCC functions) will be signed by the Mayor with assurance provided by the Assistant Chief Officer in West Yorkshire Police, the Joint Independent Audit Committee and other officers. Katherine Johnson assured members that she has continued to fulfil the duties of Treasurer and will be able to provide an assurance note to assist the Mayor.

The draft accounts will be available from the end of July. Paul Grady confirmed that the external audit will begin in September and the Chief Constable and Mayor will be consulted regarding the expected date for sign-off which will also be dependent on the West Yorkshire Pension Fund audit.

Julie Edwards confirmed that the statutory deadline for sign-off of accounts is the end of September but, given the complexities associated with a thirteen-month accounting period arising from the introduction of mayor in West Yorkshire, this is likely to be the end of November. Grant Thornton had provided assurances that the external audit will be appropriately resourced.

It was agreed that an accounts workshop should be arranged before sign-off.

ACTION: Julie Reid to arrange an accounts workshop for members with West Yorkshire Police staff.

Item 5.7 DPIA for tender exceptions

Katherine Johnson confirmed that Stage 1 Data Protection Impact Assessments (DPIAs) had been completed for tender exceptions S850 and S855 and had now progressed to Stage 2. The value of the fixed line telephony contract is £580,000.

6. CHAIR'S UPDATE

Trevor Lake provided a Chair's update thanking all for their time and contributions to the Committee and welcoming Tracy Brabin and Alison Lowe as Mayor and DMPC.

7. COVID-19 UPDATES

(a) West Yorkshire Police

Katherine Johnson provided a COVID-19 update for West Yorkshire Police reporting ongoing issues with abstractions from staff, officers and contractors being asked to isolate by the Track and Trace service. The Government had announced 16 categories of employees with exemption from isolation although this is entirely voluntary for staff.

Beverley Nichol-Culff advised that Gold and Silver meetings are continuing in Force which continues to follow Operation Talla (NPCC) guidance with staff and officers continuing to wear PPE and social distance.

(b) Policing and Crime Team

Janine Nelson provided a COVID-19 update for the Policing and Crime Team reporting that staff are continuing to work on an agile basis and meetings are being held on-line. Some technical issues with the installation of suitable broadband and Wi-Fi means that the return to Ploughland House has been delayed. The Combined Authority are reviewing flexible working arrangements, including agile working and some office space in Wellington House has been reopened. Policing and Crime staff will continue to work from home, attending the office for essential work only.

Trevor Lake concurred with a cautious approach given the continuing high levels of infection and the prevalence of the highly contagious Delta variant.

8. BUSINESS UPDATES

(a) West Yorkshire Police

Katherine Johnson provided a business update reporting an improved budgetary position given the Home Office announcement that there will be no pay award for officers earning over £24,000 pa. The medium-term financial forecast assumes a flat cash settlement for 2021-22.

Members were informed that ACC Williams will be leaving the service shortly and C/Supt Kate Riley will be temporary ACC with responsibility for the People Directorate. Three of the existing temporary ACC's will be attending the senior command course and recruitment of replacements is in progress. Members were informed that staff in the Force are working with the Combined Authority on the transitional arrangements, providing briefings were required and are drawing up police officer number forecasts.

Julie Talbot asked whether priority-based budgeting is being utilised and was advised that this is being reviewed after liaison with West Midlands and Bedfordshire Police, who are taking this approach, and with input from Price Waterhouse Cooper. If external support is required a tender exercise will be held.

Julie Talbot asked about the outturn for the previous financial year and was advised that the outturn was positive with an underspend of approximately £3m. Members were advised that the uplift funding includes an element for non-pay, £2.5m of which has been

transferred to reserves to assist with funding over the next few years, including the safeguarding review. This brings West Yorkshire into line with practice in other Forces.

Julie Winham noted the Force Performance report, commending the Force performance given the COVID-19 pandemic. Katherine Johnson pointed to the 999 rolling average figures which had been reported to members which showed that demand is increasing and advised that this trend is being watched carefully.

Trevor Lake asked how the COVID-19 pandemic 2020 would impact on year-on-year performance targets and was advised that 2019 will be the comparator.

(b) Policing and Crime Team

Janine Nelson provided a business update from the Policing and Crime Team advising that Alison Lowe is Deputy Mayor for Policing and Crime (DMPC), on a part-time basis until 2 August when she will become full-time. Members were advised that the governance and accountability structure has remained in place with the regular meetings between the Mayor or Deputy Mayor and the Chief Constable continuing. These will be reviewed over the next six months as the new Police and Crime Plan is developed. Regular Executive Team meetings are chaired by Alison and include the statutory officers and key staff from the Policing and Crime Team.

Members were also informed that commissioning and contracts work continues to be busy with a further £350K of Ministry of Justice funding for domestic abuse and sexual violence services and £1m for IDVA/ISVA roles in 2021-22 in addition to the £2.6m for core victims' services. New bids have been submitted for perpetrator programmes (£390K), domestic violence critical support (£333K), and male rape support (£70K).

Julie Winham asked whether, in terms of domestic abuse, key partners are informed about police policy when services are being commissioned and was advised that various boards and partnership meetings ensure that partners are informed. The policy is also published by the Police.

Katherine Johnson notified members that notice had been given by the Mayor for West Yorkshire to cease to be the lead force for NPAS from June 2022. The NPCC are looking for another host force.

Trevor Lake sought confirmation of the arrangements for replacing the Treasurer in terms of strategic financial oversight of the Police and was advised by Angela Taylor that resilience is in place across the Combined Authority finance team as the Head of Finance is also deputy S73 officer and recruitment is underway to appoint a dedicated financial accountant. Trevor Lake asked for an organisation chart illustrating which posts were covering the Treasurer duties.

ACTION: Angela Taylor to provide an organisation chart showing how policing and crime Treasurer duties are allocated following the transfer to Combined Authority.

9. RISK MANAGEMENT

(a) Policing and Crime Team

Beverley Nichol-Culff presented a risk report for the Policing and Crime Team which had been agreed on 30/06/2021, reporting that there were currently 10 open strategic risks, 2 of which are red, one is high amber and 6 are low amber.

New risks had been identified relating to disruption to business-as-usual following the transfer to the Combined Authority and development of a new Police and Crime Plan. The NPAS risk has been escalated and the risks relating to the transition programme and GDPR have been closed.

Members were informed that Beverley Nichol-Culff is working with staff in the Combined Authority to review policies and processes for policing and crime risk management to align with Combined Authority practice over the next few months. Angela Taylor confirmed that the corporate risk register will be reviewed to include strategic risks identified on the policing and crime risk register.

Julie Winham asked whether a service level agreement is in place for the risk management function and was advised that this was underway. Beverley Nichol-Culff confirmed that the risk management processes had continued to operate effectively.

Julie Winham noted that the timescales attached to the Police and Crime Plan risk appeared to be longer-term and was advised that the final draft is due at the end of November with a statutory publication date in March 2022.

Julie Talbot asked about the ease of transfer to the Combined Authority and was informed that a lessons learned report is being prepared. Business has continued throughout the transition although some areas of work need review. Janine Nelson reported that initial difficulties in terms of access to the Mayor had been resolved with appointment of the DMPC and the Executive Meeting structure.

Trevor Lake sought confirmation of who will chair the policing and crime risk management meetings going forward.

ACTION: Beverley Nichol-Culff to confirm the chairing arrangements for the Policing and Crime Team risk management meetings.

(b) West Yorkshire Police

Beverley Nichol-Culff presented a risk report for West Yorkshire Police reporting that the most recent risk management review had identified 25 open strategic risks, 7 of which are red, 14 high amber and 4 low amber.

The risk relating to file-build has been escalated following the Attorney General advice and risks relating to terrorism and the Digital Forensics Unit have improved. The risks relating to regional procurement and Blue Light Commercial, the EU exit and intelligence allocation and management have been closed.

Members considered the Local Risk Register and noted that the risk relating to the impact of the police apprenticeship programme had been escalated to a strategic risk.

The Risk Management Group on 19 July agreed 3 new risks – a risk associated with Ofsted inspections of the Police Education and Qualifications Framework (PEQF), a risk associated with the impact on NPAS operations of the decision to withdraw as lead policing body and a risk associated with the impact on the Force of the transition to a Mayoral model. Three risks were improved; CJS case progression, CCTV accreditation and the risk associated with digital forensics following a decision by the Chief Officer Team to increase funding.

Julie Winham sought clarification as to the definition of risk categories noting that safeguarding is not included as a separate category. Beverley Nichol-Culff advised that the risk categories were defined in the Treasury Orange Book, safeguarding is included as an operational risk

Trevor Lake noted the risk related to PDR completion and asked for an update. Katherine Johnson advised that the back-office systems review includes a PDR option. Presently, the PDR system records a failure if the PDR is done early or late. Members sought an update at the next meeting.

ACTION: Katherine Johnson to report to Committee on the progress in introducing a new PDR system.

Julie Talbot queried the risk relating to legacy payroll data and was advised by Julie Edwards that this is historic information with no impact on completion of the accounts. Payroll staff are working with the supplier to agree a way of establishing access to the information.

10. INTERNAL AUDIT ANNUAL OPINION REPORT

Neil Rickwood presented the Internal Audit Annual Opinion Report, which is largely positive, particularly given the COVID-19 pandemic. The overall opinion is 2.14 - reasonable assurance – showing an improvement on the previous year. Members were informed that the main issues relate to data quality. Five audits were finalised with limited assurance.

Julie Talbot congratulated the Internal Audit Team on being able to give a full opinion during a difficult year and asked whether the internal control score was weighted. It was confirmed that weightings are not attached to scores.

Julie Talbot queried the concerns with data quality and was advised that the position was improving slowly with the Digital Oversight Board reviewing the data quality work programme.

Julie Winham congratulated the Internal Audit team on the positive feedback given during the year and asked whether internal audit advice and consultation had been captured in the annual opinion. Neil Rickwood confirmed that this was factored into the overall assessment of the control environment but not specifically scored. Joanne Campbell identified routes for incorporating compliance testing into substantive audits, for instance,

feeding outcomes from compliance testing of the victim's journey into other substantive audits. Julie Winham asked how actions are captured and was advised that, depending on the audit, this would be through later audits or via assurance boards which are attended by Internal Audit staff.

Julie Winham noted the high level of recommendations not addressed in full and queried whether these should be included in the annual audit opinion and then the Annual Governance Statement. Members were informed that many are ongoing, often relating to systems or to partnerships. Becca Tennyson-Mason informed members that close working between Internal Audit and the Performance Review function means that any performance findings can be addressed. Neil Rickwood agreed to provide an update to the next meeting on recommendations not addressed in full.

ACTION: Neil Rickwood to report to the next meeting on progress in the recommendations not addressed in full from the Internal Audit Annual Report.

Trevor Lake discussed the timeframe for reporting limited assurance audits to Committee, including in the absence of management responses, and this was agreed as 3 months.

Trevor Lake noted that the TUPE transfer of internal audit staff to West Yorkshire Police was not noted in the annual report. ADDENDUM – Internal Audit staff transferred to West Yorkshire Police on 1 January 2021.

Trevor Lake sought assurance as to internal audit reporting routes and was advised by Angela Taylor that this will be reviewed as part of the governance review to allow internal audit to report upwards and down as required.

ACTION: Angela Taylor to confirm, at the next meeting, the Combined Authority reporting route for internal audit reports.

Neil Rickwood reported on the Internal Audit review of Digital Policing Department which had concluded with limited assurance. Katherine Johnson informed members that the Strategic Oversight Board, chaired by the D/CC, is looking at prioritisation of digital resources which is also addressed in one-to-one meetings between the ACO and the Head of Digital Policing.

11. EXTERNAL AUDIT REPORT

Paul Grady delivered the external audit progress report and advised members that planning for the audit is complete. Members were informed that the year-end risk assessments are graded amber. The external audit plans will be shared with the Mayor, DMPC and the Director of Corporate and Commercial Services to agree reporting routes.

Julie Talbot queried, in relation to trial balance opening balances, whether the previous years' recommendations had been addressed and was advised that closedown was relatively smooth with no unexpected issues.

Julie Edwards informed the Committee that the opening balance had been reconciled and updated following late changes at year-end in the previous year which had not been reflected in the ledger.

Julie Winham sought information as to the extent that Internal Audit uses information from the external audit, such as accounts payable and reconciliation, to determine the Internal Audit programme coverage and was advised that Internal Audit liaises with External Audit before finalising the Internal Audit plans.

12. ASSURANCE FRAMEWORK

Janine Nelson presented a revised assurance framework advising members that this will be reviewed once the new Police and Crime Plan has been developed, early next year.

Trevor Lake noted an excellent framework document and suggesting a further report to Committee in January 2021.

ACTION: Julie Reid to schedule the revised Assurance Framework for discussion at the January 2022 meeting.

13. DRAFT ANNUAL GOVERNANCE STATEMENTS (AGS)

(a) West Yorkshire Police

Katherine Johnson introduced the draft Annual Governance Statement for West Yorkshire Police advising members that, as the statement looks back over the previous 12 months, it reflects on the Police and Crime Commissioner's (PCC's) governance arrangements.

(b) PCC/Mayor

Janine Nelson introduced the draft Annual Governance Statement for the PCC and Mayor.

Julie Winham noted that the Assurance Framework was not referred to in the Force AGS, Katherine Johnson agreed that this should be included. Members discussed whether the level of non-implementation of Internal Audit recommendations warranted reference in the Force AGS but agreed, as discussed earlier, that this did not require noting as a significant governance issue.

Julie Talbot asked whether Internal Audit and External Audit considered the statements to be fair reflections, Neil Rickwood and Paul Grady agreed.

14. FORCE MANAGEMENT STATEMENT

Katherine Johnson introduced the Force Management Statement.

Becca Tennyson-Mason explained that this was the first time the statement had been presented to the Joint Independent Audit Committee since being introduced by HMICFRS in 2018 (previously having been considered in the Joint Executive Group meeting). The statement covers the totality of policing, reflecting a very robust process for predicting demand and contributing to the 'Outstanding' grade the Force received in the last

HMICFRS Inspection for Efficiency and Future Planning. Members were advised that the demand predictions were based on data prior to COVID-19 when reductions in crime were already being observed. The Mayor has been given a copy of the statement and it will inform the development of the Police and Crime Plan.

Trevor Lake reflected on an excellent document but noted that it had only been published almost twelve months after being finalised. It was agreed that it should be included on the annual workplan for the Committee.

15. BUSINESS INTERESTS, GIFTS AND HOSPITALITY

(a) West Yorkshire Police

Katherine Johnson presented a report on West Yorkshire Police business interests and gifts and hospitality which members noted.

(b) OPCC/Policing and Crime Team

Janine Nelson presented a report on the OPCC/Policing and Crime Team gifts and hospitality.

Julie Winham sought clarification of reporting of Combined Authority policies and was advised this was through the Authority's Governance and Risk Committee. Angela Taylor confirmed that Policing and Crime Team staff had moved to these policies on transfer.

Julie Talbot queried whether business interests declared to the Police must be resubmitted if the individual changes roles. ADDENDUM – this was confirmed to be the case in the Ethics Committee, 23/07/2021.

16. FOI/DATA PROTECTION ANNUAL REPORTS

(a) West Yorkshire Police

Katherine Johnson presented an annual report on Force Freedom of Information and Data Protection compliance which members noted. Members were advised that, due to very high demand levels, increased resourcing had been dedicated to dealing with 'right to access' requests.

(b) OPCC/Policing and Crime Team

Chris Thompson presented an annual report on OPCC/Policing and Crime Team Freedom of Information and Data Protection compliance and outlined the preparatory work for the transfer to the Combined Authority including the work of the ICT/IG workstream and the development of an information sharing agreement with the Force. The report identified increasing demand and members were advised that electronic forms are being introduced for incident management and DPIAs to improve efficiency. Customer satisfaction surveys will also be introduced. Staff in the Policing and Crime Team are working closely with the Combined Authority IG team to standardised processes and policies.

Trevor Lake noted the comprehensive report.

Julie Winham queried whether the introduction of home working had seen an increase in data breaches and was advised that fewer incidents had been reported when staff were not in the office. Members were informed that, prior to home working being introduced at the beginning of the pandemic, staff were given data security advice specific to home working and printing documents was not allowed when staff work from home.

Julie Talbot sought assurance regarding staff vetting and was advised that all posts that involve working with policing and crime data are subject to vetting.

17. TENDER EXCEPTION REPORTS

Katherine Johnson reported to members on tender exceptions and the report was noted. Members attention was drawn to the extension for the Niche system which had been approved by the Police and Crime Commissioner and would be subject to a detailed review in the next twelve months.

Julie Winham reported that the embedded DPIA couldn't be opened in the report provided and queried what assurance budget holders had when signing tender exemptions. Katherine Johnson reported that she was able to open the attachments but would look into the matter.

Julie Winham noted that, for regional procurement exceptions, the DPIA is not attached (ref 918).

ACTION: Katherine Johnson to confirm whether DPIAs are available to budget holders considering regional tender exceptions.

Julie Talbot noted that the value of exemption reference 891 was 89k per month (not annually). Julie Talbot asked whether, for exception reference 919, for a vehicle collision repair contract, there were any lessons to be learned regarding the tender process for regional contracts and was advised that, in this case, a specific West Yorkshire exercise was conducted as suppliers were unable to attend all four regional forces.

Julie Winham asked how this process compares with practice in the Combined Authority and was advised by Angela Taylor that a very similar process is in place

18. ANY OTHER BUSINESS

None raised.

Next meeting: 1 October 2021, by video conference