

**Minutes of the Joint Audit Advisory Committee Virtual Meeting  
1<sup>st</sup> December 2021**

**Present:** Phil Bearpark [Chair]  
David Gilbert [Vice Chair]  
Jean Gleave [JAAC Member]

Office of the Police & Crime Commissioner:  
John Dwyer, Police & Crime Commissioner  
Clare Hodgson, OPCC Chief Finance Officer

Cheshire Constabulary:  
Mark Roberts, Chief Constable  
Julie Gill, Assistant Chief Officer  
Wendy Bebbington, Head of Finance  
Jerry Faulkner, Chief Accountant  
David Bryan, Head of Legal Services  
Paul Woods, Head of Planning and Performance

Internal Audit  
Anne-Marie Harrop, Assistant Director (Mersey Internal Audit Agency)

External Audit  
Michael Green, Director (Grant Thornton)  
Liz Luddington (Grant Thornton)

**Apologies:** Tony Snape [JAAC Member]

**Part 1 - Public Items**

**1. Minutes of the Joint Audit Advisory Committee**

- 1.1 The minutes from the JAAC meeting of 28<sup>th</sup> September 2021 were approved by the Committee.
- 1.2 An Action from the last meeting regarding HMICFRS value for money profiles 2021 for Paul Woods is ongoing. **Paul Woods, Head of Planning and Performance**, confirmed that an email had been sent in to HMICFRS to obtain some clarity, however, no reply so far, he will therefore chase this up.

**Action: Already logged, however, Log will be updated to show that this item is being chased up.**

**2. Matters Arising from the Previous Joint Audit Advisory Committee Meeting**

- 2.1 An Action Log is to be created going forward to monitor the ongoing/outstanding actions as suggested by Jean Gleave.

**Action: Action Log to be created to accompany the Minutes of the Meetings.**

### 3. Police and Crime Commissioner and Chief Constable Update

- 3.1 **John Dwyer, Police & Crime Commissioner**, confirmed that the appointment of his Chief Executive, Damon Taylor, went ahead on the 1<sup>st</sup> November 2021.
- 3.2 **The PCC** explained that he has spent 6 months putting structures and people in place and as from 1<sup>st</sup> November the OPCC will now move forward in a more forthright way.
- 3.3 **The PCC** stated that the Police and Crime Plan was launched on the 1<sup>st</sup> November 2021 after going through the various processes with the Police and Crime panel. A copy of the plan will be given to all members of the committee, either in person at the meeting or it will be sent to them through the post if they are not in attendance.
- 3.4 **The PCC** confirmed that his Autumn Survey was issued on the 8<sup>th</sup> November 2021. This is a letter from the PCC to every household (520,000). To date we have had 17,000 returned, just over 3% response. Comments made by the public in these returns will reflect in the Police and Crime Plan in the future. One of the questions in the survey was in relation to the precept increase, it is too early to provide information on this, however, the PCC reported that he is pleased that we have now engaged with large numbers of our community across Cheshire regarding what we are doing with the Police and Crime Plan and the precept going forward. The draft precept will be set sometime during January 2022. This is to enable it to go before the Police and Crime Panel on 4<sup>th</sup> February 2022, and an informal meeting is being held on the 26<sup>th</sup> January 2022.
- 3.5 **Phil Bearpark, Chairman**, stated this will be more of a challenge this year as Cheshire East have announced 1.99% increase every year for the next 4 years plus 1% Social Care increase. 3% before the Police costs are included. The PCC commented that we are all aware of how difficult things are financially at the present time for people.
- 3.6 **Mark Roberts, Chief Constable**, stated that Cheshire is one of the 10th cheapest levels of precepts in the country.
- 3.7 **Phil Bearpark** said that it would be good to see the Medium Term Financial Strategy (MTFS) and the benchmarking at the next meeting. **The Chief Constable** confirmed this information would be listed in the MTFS report. **John Dwyer, PCC**, said there was a graph presented to him this morning that showed although we were the 10<sup>th</sup> cheapest force there are a lot of forces at/around the same level of £300 per month for a year's policing.
- 3.8 **Mark Roberts** stated there had been some good news for the force. DCC Armitt received an OBE this month, he already has the Queens Police Medal. The OBE is in recognition of his service to The Civil Nuclear Industry.
- 3.9 ACC Jenny Simms is moving to Merseyside on a lateral move, her last working day is on Friday, 3<sup>rd</sup> December 2021. A full recruitment process is to take place in due course, however, in the interim Bill Dutton, Chief Superintendent for local policing operations will take over as ACC.
- 3.10 **Crimes and Incidents.**

#### ***Incidents***

Return of 999 calls back to pre-pandemic levels, an average of 13,500 emergency calls per month since the end of lockdown compared to 12,300 in the same period in 2019. Demand has gone up quite significantly, calls are added to with calls from the Ambulance Service when they have run out of ambulances and capacity, this is an ongoing issue for us and nationally.

#### ***Crime***

Up to the 12 months to October 2021 we recorded 85,000 crimes which is a 4% reduction on the previous year, of note some crimes are seen as 'hidden harm' crime where we need to encourage people to come forward i.e., domestic abuse, however, these are now being reported by the public which is positive and encouraging as we are treating domestic abuse as one of our priorities. Good news in relation to acquisitive crime which is much more visible and shows that in the last 12 months we have had a 28% reduction in burglary, 34% reduction in vehicle crime, a 19% reduction in robbery and 42% reduction in shop lifting. Clearly some of these figures may be due to shops being closed and people being at home more etc. but these figures compared with 2019 figures are encouraging.

- 3.11 In terms of the Pandemic, we continue to report a 'healthy' position around absences due to sickness, although the new variant may change the current situation.
- 3.12 National commitments saw well over 100 officers deployed in Glasgow for COP26, this was around peak demand nights (mischief and bonfire night). We had 7 officers deployed in Qatar in November as part of PAN UK support during preparation for the World Cup which was a multi-national exercise called RATAN where they were joined by colleagues from GMP and Lancashire.
- 3.13 There is ongoing work around the PEEL inspection programme, C-Ran Data Integrity and The National Child Protection Inspection Programme.  
We were recently inspected as one of the forces in relation to violence against women and girls and Cheshire were highlighted as having good practice in a couple of areas when the report was published in September.  
We had operation Guardian specifically targeting domestic abuse.  
We have also been deploying plain clothed patrols around schools to try to deter people behaving inappropriately, particularly towards schoolgirls walking to and from school.  
There are concerning levels of sexual abuse amongst pupils at some of the local schools and we are therefore working with the schools.  
We are also taking overt and covert action around the night-time economy in relation to spiking and inappropriate behaviour in general terms.  
The Chief Constable confirmed we are one of only a few public bodies in England and Wales that have met the September deadline for the audited Annual Statement of Account, which is positive and a testament to Wendy and the team.
- 3.14 **Phil Bearpark** said that the Committee would also like to pass their thanks on to all that were involved in the Accounts for all their hard work not only recently but over the whole year. Well done to Wendy and the Team and the external auditors. Considering there were only 10% submitted to the deadline nationally, this is a massive achievement.
- 3.15 The Commissioner and Chief Constable have positive news around the awarding of grants.  
There is a £1.1 million grant awarded through the governments Safer Streets fund. We have the joint highest award of monies in the country which is a testament to the quality of the bid.  
First will be used in the Warrington town centre area and secondly in a partnership with the University of Chester. The Chief Constable gave more detail on the work around violence against women and girls and Op Guardian, which was a 72-hour operation that saw over 60 people arrested who were wanted for domestic abuse. We also had diversionary schemes in custody for both perpetrators and victims. Enforcement around Civil Orders and bail conditions was also carried out.  
The PCC also mentioned the SWAN fund (Safety of Women at Night) which is Home Office sponsored. We made a bid for this fund and we were awarded £300,000. Part of this will be spent on a piece of software called 'Good Sam' which allows an individual who is feeling vulnerable to dial 999 into the control room and they send a video link back which will start to record any incident taking place around this person. This can be extended to any person, anywhere, who is feeling vulnerable. There is a team in the PCCs office who are really first class at making these bids which helps us with these projects.
- 3.16 **Prosecutions and Jobs of Note**  
We have seen the successful conviction of a father who murdered his 26-month-old baby at Liverpool Crown in October.  
After a major importation of cannabis, the offender was caught and convicted, resulting in £73,000 being raised from proceeds of crime - money which can be reinvested into financial investigators.  
Kirsty Smith working for Cheshire West and Cheshire Council as a care worker was convicted of theft, receiving a 28-month sentence after abusing her position of trust and stealing £90,000 from 3 elderly victims. Financial investigators managed to find information that she had money in a property which was then sold and the £80,000 was paid back to the victims.

There are a lot more examples, however, in summary we have a good combination of our serious and organised crime unit and at ground level the local policing teams with their good local knowledge who are also making this a very hard area for county lines gangs to operate, and intelligence tells us that several of our towns are becoming known for being unable to 'deal' in.

#### 4) External Audit Value for Money Report

- 4.1 **Michael Green, Director, Grant Thornton**, introduced the report stating that this is the first of the new style 'value for money report' which is contained within the Auditors annual report. This report has replaced the old annual audit letter and summarises the work of external audit across the year with a focus on the value for money work. This work has moved away from a binary qualified/unqualified opinion and looks at the three core criteria. It is now based around recommendations which range from improvement recommendations to statutory ones which would require the authority to respond publicly and action. We have concluded our work within the three-month timetable. The report is very positive and will provide reassurance to the members regarding the core areas. There are a couple of improvement recommendations to be considered, however, they are not linked to any issues or concerns and are more in relation to best practice.
- 4.2 **Liz Luddington, Grant Thornton**, went through the through the report in further detail.

*Pages 6-24* look at the financial sustainability. There is no risk of significant weakness within these arrangements and no improvement recommendations have been identified. In terms of Governance – risk management, informed decisions etc. No risk of significant weakness in this area, however, we have raised an improvement recommendation in respect of integrated reporting.

*Pages 13-16* cover Economy, Efficiency and Effectiveness and we found arrangements to be effective around local collaboration, partnership and procurement. We identified a potential risk around MFSS Business Services Futures we reported in the previous audit committee the work we had done, and it was concluded that there was not a risk of significant weakness. We have put an improvement recommendation in respect of this, however, we are very conscious that this is being looked at and you are monitoring this closely.

*Pages 17-23* are in relation to arrangements for Covid 19 and again there were no significant weaknesses identified.

*Pages 18 of 24* give the unmodified opinion on the financial statements, nothing significant, a couple of recommendations.

*Appendices A, B, C and D* were explained.

- 4.3 **The Chair** thanked Liz Luddington for the report and added another thanks to the team for working a month ahead.
- 4.4 **David Gilbert, Vice Chair** thanked the Auditors for looking at PFI and the assurance given. He commented that although a number of years away, if we do keep the building, then the estates strategy would need something put into the plan around the 5–7 year mark to look at how we would cover the costs of maintenance etc. of a then, 30-year-old building at the time of take over. **The Chief Constable** said that the PCC has asked for a review around the different options around this and a separate piece of work has been commissioned. **Jean Gleave** commented that the format of the report was much clearer.
- 4.5 **Phil Bearpark** asked if the external auditors were expecting a formal management response in relation to the recommendations. **Michael Green** confirmed that they have received these responses and confirmed that the recommendations are accepted, and actions will be taken accordingly, some are already underway. **The Chief Constable** confirmed that the Priority Based Budgeting [PBB] process has been a very worthwhile exercise, for example, the protection of children and vulnerable people is now reported on a monthly basis due to the demand going up. MFSS now has a dedicated ACC to manage the dissolution.

We are seeing significant demand on the 101 call volume, and this is not just the number of calls but the length of calls when assessing vulnerability etc. **The PCC** confirmed that in September there were more resources added and early indications are that those resources have already improved the situation and there are more resources to put in place going forward.

**Wendy Bebbington, Head of Finance**, confirmed that they have commenced looking at the integration of individual departments at their monthly and quarterly meetings in relation to finances and performance reporting.

## 5. JAAC Annual Report

- 5.1 **The Chair** asked if there were any comments or questions in relation to the report. No items were raised. It was agreed by the Committee that the report would go to a future Joint Management Board to note.

**Action: Report to be added to future Joint Management Board agenda to note.**

- 5.2 **The Chair** confirmed the Single Point of Contact Roles as discussed at the previous meeting.

## 6. Internal Audit

**Anne-Marie Harrop, Assistant Director**, gave updates on the Internal Audit.

### a] MIAA Progress Report

**The Assistant Director** confirmed we are on track in terms of delivery of the audit contract.

- Work finalised on cybercrime
- Body worn video at draft report stage
- Financial systems work is ongoing
- National Fraud initiative Data matching work is being finalised
- Estate's review and Performance Management LPU work moved to Q4 as agreed previously

**The Chair** asked if there were any questions in relation to the above, none were raised.

### b] Terms of Reference – Key Financial Systems

**The Assistant Director** confirmed that the Terms of Reference for Key Financial Systems have been signed off by the appropriate leads and issued out for consultation and work is underway.

**Jean Gleave** asked about the level of testing in all the areas as there are so many and if payroll was included in these checks. **The Assistant Director** gave information in relation to how sample size was used to carry out the testing across the areas and stated that although payroll was not included in the sample testing this year as it would be a separate audit that is not in this years' checks but that is looked at periodically. **Jean Gleave** asked Michael Green if this caused any problems for his team, **Michael Green** stated this did not affect the external audit testing.

## 7. Strategic Risk Register

- 7.1 This will be considered in Part 2 of the meeting.

## 8. Service Assurance Plan

8.1 The Chair stated that this document is very well presented and very clear to read. There were no questions raised by the Committee.

## 9. JAAC Forward Plan Review

- 9.1 **The Chair** confirmed that the next meeting will be held on 2<sup>nd</sup> March 2022. He asked if the 'Value for Money' profiles have been addressed. **Clare Hodgson, OPCC Chief Finance Officer**, confirmed that this issue links in with the HMICFRS answer we are awaiting so we cannot confirm if this will be on the agenda at the moment, if not it will be put on the July agenda.
- 9.2 **The Chair** asked if there were any questions, **Jean Gleave** queried if the review of our own Terms of Reference should be on the agenda and could this be looked at this at the next meeting. David Gilburt stated that he agreed that these should be on the agenda for annual review. **The Chair** asked if everyone was in agreement, they were, therefore it will be added to the next agenda.

**Action: Terms of Reference Review to be added to the next meeting agenda.**

## 10. Any Other Business

- 10.1 **The Chair** asked if we had a plan in place in relation to Public Sector Auditor Appointments [PSAA] and the External Audit position as the decision needs to be made at the end of March next year. **Julie Gill, Assistant Chief Officer** confirmed that there is a plan in place and a report is being prepared which they will feedback. **The Chair** requested be copied in to view the report when complete.

**Action: Copy of report to be sent to The Chair.**

*Duration of meeting: The meeting commenced at 13:00 and finished at 14:40.*