



**Durham Police Crime & Victims'  
Commissioner/ Chief Constable**



**Joint Independent Audit Committee**

**Tuesday 19th June 2018**

**11am-12:50pm**

**Watson Room, Police HQ, DH15TT**

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**Minutes**

**1. Attendance/Apologies**

**Chair**

Cllr E Bell

**Members**

Mrs J Flynn, Mrs D Murphy, Mr D Shingleton

**Office of the Police, Crime and Victims' Commissioner**

Mr A Reiss, Mrs J Connor

**Durham Constabulary**

Mr G Ridley, Mr S Layton (shadowing Mr Ridley), Mrs T Ashforth, Mr S Winship

**External Audit**

Mr M Kirkham, Mr C Kneale

**Internal Audit**

Mr S Carter

**Apologies**

Mrs E Davies, Mr R Humphries

Cllr Bell welcomed everyone to the meeting.

Cllr Bell commended Mrs Davies on her receipt of the British Empire Medal. He also wanted to pass on the condolences of the Committee to the family and friends of our formal Joint Audit Committee member Cllr David Regan.

**2. Declarations of Interest**

*To remind members of the Committee of the need to record any personal interest in items on the agenda. If a member has a personal interest that is a prejudicial interest, he/she must withdraw from the room during consideration of that item of business.* Cllr Bell asked the Committee if they had any Declarations of Interest – nothing was declared.

**3. Minutes of the meeting held on 8<sup>th</sup> May 2018**

Minutes of the meeting held on Tuesday 8<sup>th</sup> May were recorded as a true record. Minutes now available to view on the PCVC website.

#### **4. Annual Fraud and Corruption Report**

Mr Carter advised the Committee of the results of work being undertaken within the Office of the Police Crime, and Victims' Commissioner and Constabulary in seeking to identify, control and prevent fraud and corruption.

Mr Carter highlighted the framework in place which shows written procedures and controls to help ensure the highest standards of conduct are practised. Central to these are detailed rules for decision making, and rules of procedure, including; Contract Procedure Rules, Financial Regulations, Codes of Conduct, and a Whistleblowing Policy (Confidential Reporting Code). The Police Crime, and Victims' Commissioner and the Chief Constable have also approved a number of other policies in relation to the prevention, detection and investigation of fraud majoring on:

- Anti-Fraud & Corruption Strategy
- Regulation of Investigatory Powers Act (RIPA) 2000 Policy
- IT Security Policy
- Disciplinary Procedures

Mr Carter gave a detailed update on the role of Internal Audit. He also spoke of the responsibility of Senior Officers who establish sound systems of internal control in its arrangements for planning, appraising, authorising and controlling operations within their service areas. These Officers must be aware of the risk of fraud and corruption within their areas of operation and should seek advice from Internal Audit as considered necessary increasing effectiveness and minimising risk.

Members queried whether the role of the Joint Audit Committee was limited to reviewing the Anti-Fraud and Corruption Policy or extended to also providing assurance over those arrangements.

Members questioned how easy it is to detect fraud and Mr Carter replied he could not 100% guarantee that fraud would not take place but is assured by controls and arrangements in place that this should not happen. Mrs Murphy thanked Mr Carter for the helpful, clear report.

Committee members asked if Mr Carter could share the latest completed fraud survey and in future for members to scrutinise

The Committee considered the progress made and assurances provided in relation to counter fraud and corruption arrangements.

#### **5. Annual Review of the System of Internal Audit**

Mr Carter asked the Committee to consider and comment on the Annual Review of the System of Internal Audit. He explained how the review for 2017/18 took the form of a self-assessment and built upon the outcomes of the external assessment in 2016/17 that concluded "that Durham County Council's Internal Audit Service conforms to the requirements of the Public Sector Internal Audit Standards".

Mr Carter highlighted the below:

- Effectiveness of the Internal Audit Service
- Resourcing, Structure, Training and Experience
- Conformance with UK Public Sector Internal Audit Standards (PSIAS)
- Ensuring the Effective Prioritisation of Internal Audit Work
- Performance Measures

Mr Carter mentioned that the system of Internal Audit includes the role of the Joint Audit Committee and in particular its role in the receipt and evaluation of audit reports, both in terms of assurance opinions and in ensuring that appropriate arrangements are in place for the delivery of an effective service. Internal Audit reporting arrangements with the Joint Audit Committee were unchanged in 2017/18.

The Joint Audit Committee reviewed its Membership during 2017/18 confirming the appointment of two new Members for meetings from April 2018. Furthermore a day of training was provided across a range of activities and served as both an introduction for those new Members and refresher for those with greater experience in the role.

Members queried whether peer review arrangements for external assurance are in place. Mr Carter confirmed that they are and that they consist of a group of 4 Local Authorities. The external review of Durham Internal Audit Service which must be completed every five years had been undertaken by Newcastle City Council in 2016

The Committee considered the findings and conclusions of the 2017/18 review of the effectiveness of the system of Internal Audit

## **6. Annual Internal Audit Report**

Mr Carter presented the Annual Internal Audit Report for 2017/18 to the Committee. He explained based on the work undertaken, Internal Audit have provided a Moderate overall assurance opinion on the adequacy and effectiveness of internal control operating across both the offices of PCVC and Chief Constable.

Mr Shingleton asked if a delay in the Force implementing outstanding actions was a weakness that could impact on the AGS arising from the work undertaken in 2017/18. Mrs Murphy asked whether in order to get a measure of the scale of issues identified within Internal Audit reports, Committee could select a sample of those produced each year. Mr Carter replied that actions implemented within target dates are high, in many cases there is a time gap between a control weakness being reported and the date determined by management for when the action can practically and realistically be implemented. . Work is ongoing with management with regard to timely and realistic implementation dates for actions being agreed. Mr Shingleton asked for more completed detail on critical recommendations. Mr Ridley said he would bring any report requested by the Committee to a meeting.

Mr Carter concluded there were no adverse implications for the Annual Governance Statements arising from any of the work that Internal Audit had undertaken in 2017/18.

## **7. External Audit Progress Report**

Mr Kneale gave a verbal brief update as the on-site audit only commenced on Monday 18 June. Draft accounts received within the new, shortened deadline, and initial review of them hasn't identified anything to bring to members' attention. If anything significant does arise during the course of the audit, management and members will be made aware.

Cllr Bell thanked Mr Kneale for this update.

## **8. General Data Protection Regulation (GDPR)**

Mrs Ashforth presented to the Committee a general overview of the new Data Protection Regulation which came into force on 25<sup>th</sup> May. She explained how the new act will make data protection laws for the digital age in which an ever increasing amount of data is being processed and empower people to take control of their data. Whilst individual data rights are being strengthened, it is the legislators' view that as far as possible existing lawful data processing should be allowed to continue. Research shows that more than 80% of people feel that they do not have control over their data online.

Mrs Ashforth highlighted key risks and opportunities to the force. She explained what data the Police and PCVC office hold, where it is, who has access to it, how long it is to be kept for, how secure it is and how lawful is the basis for processing it.

Mrs Ashforth explained why the Information Commissioner (ICO) remains the UK's independent data protection regulator and how the duty placed on Data Controllers to notify the ICO as well as individuals concerned (where there is a high risk) of data breaches that risk affecting individuals rights.

Mrs Ashforth said there would be an increase in maximum penalties for regulatory breaches from £500k to £17m although fines would only ever be imposed as a last resort and is one of a number of corrective powers.

Cllr Bell thanked Mrs Ashforth for her presentation and wished her well in her new role working with the Home Office.

## **9. Governance Structure**

Mr Ridley presented the Performance Management and Governance Framework to the Committee.

Mr Ridley explained how this framework gives the Exec and the Senior Management Team a better understanding of the business. He highlighted the need to link and share information enabling a clearer picture of what is going on and with whom for example looking at people intelligence – ensuring they have the right people, mitigating risk and sharing lessons learnt.

Mr Ridley went through each element of the framework showing how each function fed into the force leadership group which meets monthly.

The Committee thanked Mr Ridley for the update.

## **10. Professional Standards update**

Mr Winship gave an update to the Committee on the Public Complaints from 01/04/2017 to 31/05/2018. The statistics showed that in the category other neglect or failure in duty that 87 out of 208 had been solved by local resolution by division. Also over this period there were 115 out of 330 complaint case outcomes solves by local resolution by division.

Mr Winship showed statistics on Taser usage explaining that for the first quarter of 2018 there had been 38 incidents/individuals where the Taser had been drawn with 27 red dots being aimed and 7 Tasers fired. The Taser is an electronic control device (ECD) which is centred on the idea that potentially violent confrontations can be brought to a relatively safe conclusion without the use of deadly force whenever possible. The ECD is not intended to replace a firearm, but provide a safer means of dealing with non-deadly force situations.

Mr Winship shared details of the Independent Office of Police Conduct (IOPC) Independent Investigations stating that at the present time Durham Constabulary have only 3 live independent investigations, with one of these due to go to a public Gross misconduct hearing, starting on 30 July 2018. The last couple of years have seen Durham Constabulary with an unprecedented level of IOPC investigations, but this follows the national trend. They have received a lot of additional funding, with an expectation of a much higher number of 'independent' investigations. This has resulted in a change in the referral criteria for forces.

Mrs Winship answered all questions from the Committee looking at lessons learnt and how to do things better.

The Committee accepted this update.

### **Any other business:-**

- **Update on IT**
- **Update on Annual Accounts**
- **Update on Income Generation**

Meeting closed at 12:50pm

Date of next meeting: Tuesday 24<sup>th</sup> July 2018

Time: 10:30

Place: Bishop Auckland Police Station

**Alan Reiss**  
Chief of Staff

**G Ridley**  
Chief Finance Officer