

POLICE & CRIME COMMISSIONER FOR LEICESTERSHIRE JOINT AUDIT, RISK & ASSURANCE PANEL

PAPER MARKED

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Report of	OFFICE OF THE CHIEF CONSTABLE AND OFFICE OF THE POLICE AND CRIME COMMISSIONER
Subject	ANNUAL REPORT OF JOINT AUDIT, RISK AND ASSURANCE PANEL 23-24
Date	THURSDAY 31 ST OCTOBER 2024
Author:	LUKE PULFORD, CHAIR OF JARAP

Purpose of Report

1. This report outlines the Annual Report of JARAP 2023/24. The purpose of the report is to inform members of the panel and the wider audience of the work that has been undertaken over the last financial year.

Recommendation

2. The Panel is recommended to note the contents of the report.

Background

3. None

Implications

Financial: There are no financial implications associated with this report.

Legal: There are no legal implications associated with this report.

Equality Impact Assessment: There are no Equality implications associated with this report.

Risks and Impact: There are no separate Risk implications associated with this report. Risk has been considered by the JARAP under the Terms of Reference and this is covered within the report.

Link to Police and Crime Plan: The Annual Report is in line with the Terms of Reference of the JARAP which is a key governance and assurance mechanism for the delivery of the Police and Crime Plan.

List of Attachments / Appendices

Annual report of JARAP 2023/24

Background Papers

None

Officer to Contact

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**Annual Report of Joint Audit Risk and
Assurance Panel
2023-24**

CHAIR'S REPORT TO THE JOINT AUDIT RISK AND ASSURANCE PANEL FOR THE YEAR ENDED 2023-2024

Foreword by the Chair

The 2023-24 marked the start of a welcome period of stabilisation within the senior leadership team of the OPCC as well as that of the Force.

JARAP were pleased to welcome Claire Trewartha as a permanent appointment to the role of CEO of the OPCC and also the confirmation of appointment of Kira Hughes as the CFO.

Throughout the year, since their appointments, we have worked closely with both of them and seen significant improvements as a result of their work. We are very grateful for their efforts and the impact they have had.

The panel would again like to thank Andy Champness for stepping in as interim-CEO at short notice to provide the stability that was needed for our work and his work prior to handing over to Claire.

Attendance at meetings by Rani Mahal has been appreciated by the panel and we hope this has helped to showcase the work done by all staff and attendees to the PCC.

JARAP membership has remained the same throughout this year. We are however conscious that soon it will be time for more changes to the panel and are planning ahead for recruitment activities. We want to ensure that happens in good time to allow for a professional handover between old members and new ones.

We note with disappointment the continued delays to the signing of external auditors accounts for the last couple of years, note the serious impact this is having and are thankful for the hard work and patience of the teams in both the Force and OPCC who are effected by this. Hopefully a solution will be in place soon as we, as well as the whole sector, cannot continue with things as they have been this year.

I am confident that JARAP has once again provided the correct level of scrutiny as well as support for the Force and the PCC ensuring that adequate assurances have been provided in a number of areas.

We have continued to improve the documentation and processes that the Panel use, this has been incredibly valuable and has helped to keep our work and meetings as efficient as possible. I am grateful to officers for their support in this area and commitment to driving performance. I am still very confident that our systems and processes are very strong compared to others in the region and at every meeting we see first hand the benefits this brings to our work.

In particular we have continued to work to ensure that the papers for the meetings are as concise as possible and an easy document for members of the public to read.

This year we have made progress with the scheduling of JARAP meetings to ensure they fit better with internal processes around risk review timelines and also external factors such as half term holidays to encourage maximum attendance.

I must put on record my thanks to all the panel members for their hard work and dedication through this year, I have been so impressed with the work that has been done. This is especially true of my Vice-Chair during this period Wendy Yeadon, I am very grateful.

Over the year we continued to review our terms of reference to seek to make further improvements to the way the panel operates. I believe strongly in continuous improvement and will review the terms of reference each year to make sure they reflect the way the panel works and incorporates good practice wherever possible.

There has, in my opinion, been the right level of challenge between the Members and the OCC and OPCC to ensure a positive working environment but also more importantly support through a "Critical Friend" focus. Hopefully this will continue to improve now we have stability within the senior roles of the OPCC.

The relationship between the panel, internal and external audit has been very good during this period and I feel that all members have a very healthy relationship and engagement that I hope will continue. We have a strong relationship with both and know we can reach out to each other as needed should anything need to be raised or discussed.

With the continued pressure on policing nationally around budgets, and also increased demand, we hope that the appointment of a new government will provide some stability over the coming years that can be reflected in future reports. We also hope that it will bring with it a desire to support the PCC and force with the additional funding required.

This report covers the activities of the JARAP for the year 2023-2024.

Luke Pulford
JARAP Chair

1. Role of the Panel

- 1.1 This is the 11th annual report of the Joint Audit Risk and Assurance Panel (JARAP) created under the Home Office Financial Code of Practice for Police Services.
- 1.2 The purpose of the JARAP as an independent body is to seek assurance over the adequacy of the following:
 - The risk management and the internal control framework operated by the PCC and Chief Constable.
 - The effectiveness of their respective governance arrangements.
 - The appointment, support and quality of the work of internal and external auditors as they provide assurance on risk management, internal controls and the annual accounts through their work.
 - Financial and non-financial performance to the extent that it affects the PCC and Chief Constable's exposure to risk, weakens the control environment and undermines their ability to provide good value for money.
 - The financial reporting process.
- 1.3 The full responsibilities of the JARAP are contained within the Terms of Reference.
- 1.4 The JARAP were appointed in April 2013 and became operational during the 2013/14 financial year.

2. Panel's Terms of Reference

- 2.1 The terms of reference of the Panel follow the guidance provided in the Corporate Governance Framework and are reviewed on an annual basis.
- 2.2 The terms of reference were not amended during this period and remained the same throughout the financial year 2023-24. They were regularly reviewed throughout the period and as part of the annual effectiveness review carried out in March 2024 but amendments were not deemed to be required.

3. Panel Membership and Meetings

- 3.1 The Panel met four times during the year.
- 3.2 The meetings were all open to the public.
- 3.3 During the some meetings there were items that were agreed would be redacted due to being of a sensitive operational nature but the vast majority of JARAP business over the year was publicly available. Agendas, meeting papers and minutes are placed on the OPCC website for the public to view.
- 3.4 The panel has five members. There were no changes to membership this year.
- 3.5 Panel member attendance at meetings throughout the year ensured that all meetings were quorate.

- 3.6 Due to there being such a high level of change of staffing throughout the year this report will not list all the meeting attendees individually but they are listed and referenced in the meeting papers available on the OPCC website.
- 3.7 Every meeting was also attended by representatives from Internal Audit (Mazars) and External Audit (EY).
- 3.8 Membership is monitored to ensure that the JARAP has all the necessary skills and experience to fulfil its terms of reference, in accordance with the job description for JARAP members. The JARAP comprises of members who are independent of the Office of the Police and Crime Commissioner and of the Office of the Chief Constable.

4 How the Panel Discharges its Responsibilities

- 4.1 The Panel's Terms of Reference drive the Panel's workplan for the year which is reviewed at every meeting and sets out all the areas which need to be considered within the Terms of Reference during the Year.
- 4.2 There is a work programme which is updated for each meeting and sets out the areas that are planned to be considered on each of the agenda.
- 4.3 To the workplan, the Panel also added thematic reports or areas where further assurance is required and each meeting there is an item on the agenda to enable further reports to be requested for the next meeting.
- 4.4 Prior to each meeting there is a briefing which provides the panel members with an opportunity to receive a briefing on a particular matter, to meet privately with the internal and external auditors or to be shown around a particular department or departments.
- 4.5 To enable Panel members to be effective, they need to understand the plans, priorities and issues facing the Force and the OPCC. The Terms of Reference provides for members to undertake "deep dives" into thematic areas to ensure assurance and discharge their responsibilities.
- 4.6 To supplement this, members of the Panel attend Force and other public meetings where appropriate to gain an understanding of how the Force and OPCC are delivering the business and how they consider key issues and risks. There is an open invitation for JARAP members to attend certain force and PCC meetings.

5 Assessment of the Panel's performance against its Terms of Reference

- 5.1 Detailed information regarding the meetings held in 2023-24 is available from the OPCC website with all meeting minutes and papers being available.
- 5.2 Specifically, the Panel discharged the required responsibilities from the Terms of Reference as follows:

Risk Management, Governance and internal control responsibilities

- 5.3 The JARAP considered the Strategic Risk Register at every meeting. This included scrutinising and challenging assessments and scores and discussing timeliness of identified actions. The Panel suggested that JARAP meetings

be scheduled around other reporting deadlines so the panel received regular updates and as much relevant information as possible. It was also agreed that one member of the JARAP would always attend meetings of the Strategic Organisation Risk Board.

5.4 The JARAP also considered in detail all of the outstanding audit recommendations that had been made over a number of years and the progress made against those recommendations.

5.5 Furthermore, the JARAP were provided with both pre audited accounts and the opportunity to review the Statements within them.

Internal Audit responsibilities

5.6 Mazars continued as the OPCC and OCC Internal Auditors for the year, therefore, the Panel were not required to make recommendations in respect of appointment of auditors.

5.7 The Panel received an Internal Audit progress report at each meeting, presented by representatives from Mazars. The Panel were able to challenge and scrutinise the reports.

5.8 The Panel received the Internal Audit Annual Report for 2022-23 and reviewed the Head of Internal Audit's opinion on the reports assessments contained within which had been discussed in detail throughout the year. This report is available within the meeting papers on the OPCC website.

External Audit responsibilities

5.9 Grant Thornton were appointed as the External Auditors for 2023-24.

5.10 This year was affected by ongoing resourcing issues that caused delays with previous audits being signed off.

Report to those charged with governance – ISA260

5.11 The Panel is yet to receive the audit results report from the external auditors. This is due to staffing and resourcing issues at the Auditors and has been an ongoing issue that also affected last years report. Discussions have taken place with the auditors about this and we have been given assurances by them that they are working to solve this problem and stop it reoccurring again.

Annual Accounts of the PCC and Chief Constable

5.12 The Panel considered the Statement of Accounts 2022-23 in full for both the OCC and the OPCC, in conjunction with the letter of representation and the report to those charged with governance. The Panel were advised that there were no significant issues which needed to be brought to the attention of members, no fundamental control issues or adjusted audit differences. The Panel approved the accounts and the respective Chief Finance Officers and Chair signed the letter of Management Representation.

Information Requirements

5.13 The Panel considered reports at each meeting updating on progress of

implementing Internal Audit Recommendations. The panel also had pre-meeting briefings on a number of areas of particular interest to them which is found to be incredibly useful in building greater awareness of the risks and seeing the operational benefits of the work around risk management in both the OPCC and Force.

Fraud and Corruption will be reported at least every other meeting.

- 5.14 The Panel considered reports and updates on Fraud and corruption at meetings.
- 5.15 During the year any incidents or suspected incidents were brought to the attention of the chair immediately.

Ethics and Transparency Panel

- 5.16 The Ethics and Transparency Panel was in its first full year of operation as the sister panel to JARAP. Going forward JARAP hopes to work more closely with them.

Collaboration

- 5.17 The panel received regular updates on collaborative arrangements across the region within the meetings and through additional briefings.

Other Assurance Providers and Information

- 5.18 The Panel continue with their pre-meetings to be briefed before every meeting on a subject that is either relevant to the upcoming meeting or future of the Force/OPCC. This has been very useful at increasing members understanding of issues and given the Panel greater insight.
- 5.19 During this year the Chair attended several East Midlands Audit Forum's. These were useful events as they shared the latest legislative changes and best practice updates. It was also very interesting to look at the workings of other types of local audit (such as fire and rescue and local government).
- 5.20 Panel members also attended other training sessions put on by CIPFA to ensure they were kept abreast of updates to the regulations and best practice.

6. Other Activities

- 6.1 The Chair and the Vice-Chair of the Panel met on a number of occasions during the year with the Deputy Chief Constable and/or the Chief Finance Officer as appropriate to discuss the role and work of the JARAP.
- 6.2 Where appropriate, the Chair has been personally updated on confidential strategic and operational issues to ensure the right level of scrutiny has been applied and issues are being managed effectively and tracked via the risk management process.
- 6.3 As was needed the Chair and the Vice-Chair have both met with the PCC and CEO (or interim) of the OPCC and also the Chief and Deputy Chief's to deal with more serious matters.

- 6.4 The Chair and Vice-Chair held their annual meeting with the PCC to discuss the work of the panel, update him on how assured we are and share any concerns we had.