

Minute of Scottish Police Authority Audit and Risk Committee

Meeting	Scottish Police Authority Audit & Risk Committee	Date/Venue	Tuesday 30th June 2015
Meeting Called By	Brian Barbour, Chair	Start Time	10:00
Reference Meeting No	SPAARC-300615	End Time	11:45

Members Present		In Attendance	
Name	Title	Name	Title
Brian Barbour (BB)	Chair, Authority Member	John Foley (JF)	Chief Executive, Scottish Police Authority (SPA)
David Hume (DH)	Authority Member	Catherine MacIntyre (CMacI)	Strategic Business Advisor (SPA)
Iain Whyte (IW)	Authority Member	Tom McMahon (TMcM)	Director of Strategy and Performance (SPA)
Moi Ali (MA)	Authority Member	Amy McDonald (AMcD)	Director of Financial Accountability (SPA)
Morag McLaughlin (MM)	Authority Member	Graham Stickle (SG)	Risk Manager (SPA)
Elaine Wilkinson (EW)	Authority Member (observer)	David McLaren (DMcL)	Senior Manager (PwC)
		David Brown (DB)	Senior Manager (PWC)
		Lynne Allan (LA)	Scottish Government
		Susan Mitchell (SM)	Director of Corporate Services, Police Scotland
		Janet Murray (JM)	Director of Finance, Police Scotland
		Chief Supt. Andy Morris (AM)	Chief Superintendent, Police Scotland
		Supt. Alan Waddell (AW)	Superintendent, Police Scotland
		CI Fergus Bryne (FB)	Chief Inspector, Police Scotland
		Supt. Alick Irvine (AI)	Superintendent, Police Scotland
		CI Ian Thomson (IT)	Chief Inspector, Police Scotland
		Sarah Jane Hannah (SJH)	Head of Financial Accountancy, Police Scotland
		Karen Vallance (KV)	Business Services Assistant (SPA)
		Stuart Nugent (SN)	Audit Scotland
		Gerry O'Neill (GO)	Audit Scotland

MEMBERS ONLY SESSION – 09:30 – 10:00	
1. Introduction to new Internal Auditors Scott Moncrieff - POSTPONED	Amy McDonald
PUBLIC SESSION – 10:00 – 11:45	LEAD
2. Chair’s Opening Remarks <ul style="list-style-type: none"> - Apologies - Declarations of Interest - Matters Arising 	Brian Barbour
3. Minutes for APPROVAL 3.1 Minute from meeting held 15 April 2015	Brian Barbour
4. Rolling Action Log	Brian Barbour
5. Review of Risk 5.1 Scottish Police Authority Risk Register 5.2 Police Scotland Risk Register 5.3 Recent Incidents	Graham Stickle Supt Alan Waddell Supt Alan Waddell
6. Internal Audit 6.1 Whistleblowing 6.2 Procurement 6.3 Corporate Strategy 6.4 2014/15 Annual Internal Audit Report	PwC PwC PwC Amy McDonald
7. Improvement Tracker 7.1 SPA Improvement tracker 7.2 Police Scotland Improvement tracker	Graham Stickle CI Fergus Byrne
8. Stop and Search Improvement Plan	DSC Andy McKay
9. Timetable for production and completion of Annual Accounts	Amy McDonald
10. AOCB	Brian Barbour
11. Date of Next Meeting: 5th October 2015	Brian Barbour
CLOSED SESSION – 12:00 – 14:00	LEAD
12. Chair’s Opening Remarks	

<ul style="list-style-type: none"> - Apologies - Declarations of Interest - Matters Arising 	Brian Barbour
13. Minutes for APPROVAL: 13.1 Minutes from Closed Meeting held 5 April 2015	Brian Barbour
14. Rolling Action Log	Brian Barbour
15. Audit Scotland 15.1 Interim Review of Internal Controls and Governance Arrangements 2014/15 15.2 ICT Follow-up and Governance Report 2014/15	Stuart Nugent Gerry O'Neill
16. Review of Risk: 16.1 Scottish Police Authority Risk Register 16.2 Police Scotland Risk Register 16.3 Presentation of Risk Process 16.3 Recent Incidents	Graham Stickle Supt Alan Waddell Supt Alan Waddell Supt Alan Waddell
17. Internal Audit 17.1 Update on outstanding audit recommendations 17.2 Benefits Realisation 17.3 External Audit update 17.4 iVPD 17.5 Forensic Services Image Management System	PwC PwC PwC PwC Amy McDonald
18. Forensic Services Governance & Partnership Forum Report	John Foley
19. Fraud & Theft Reporting	Amy McDonald
20. AOCB	Brian Barbour
21. Date of Next Meeting: 5th October 2015	Brian Barbour

2. Chair's Opening Remarks: (Brian Barbour)

BB welcomed all attendees to the meeting stating that this would be the last meeting of Audit and Risk in its current form, with the new Finance, Audit and Risk Committee forming in Spetember. BB thanked PwC, Scottish Government, HMICS, Audit Scotland, Police Scotland and SPA colleagues for the work given to the Committee.

There were apologies from DCC Richardson and Gillian Woolman, Audit Scotland.

There were no declarations of interest.

3. Minute from Meeting held 15 April 2015: (Brian Barbour)

Reference ITEM NO 3.1 for the papers contained within pack.

Approval was sought for the Minutes of the meeting held 23 January 2015.

The Minutes were approved with no amendments.

DECISION

Members **APPROVED** the minutes from the meeting held on the 15 April 2015.

4. Rolling Action Log: (Brian Barbour)

Reference ITEM NO 4 for the papers contained within pack.

Refer to the updated action commentary reflected in the Rolling Action Register.

DECISION

Members **NOTED** the updates and status of actions as recorded in the Rolling Action Register.

5. Review of Risk

5.1 Scottish Police Authority Risk Register (Graham Stickle)

Reference ITEM NO 5.1 contained within pack.

GS referred Members to the paper highlighting that risk FS 033 (Evidence Management System (EMS) Operability/functionality) had a new target date of July 2015. The previous target date was April 2015 which was in relation to a new release of EMS. The release was completed within timescale but the risk remains until full implementation has completed.

BB advised Members that the financial and HR risks were overseen by the appropriate Committees and asked Members to restrict questions to the non-financial and non-HR risks.

BB referred to risk FS 057 (Memo of understanding – Demand vs capacity years 2 & 3) and questioned if the risk meant that Forensic Services could not meet demands placed on it. GS replied that Forensic Services were doing further work to clarify what demand was versus capacity. MM stated that having the years referred to as "2 and 3" was unhelpful as there was the potential to assume what exact year was being referred to and asked for this change.

ACTION – 300615-ARCPL-001 SPA Risk FS 057 – "Years 2 & 3" etc to be amended to exact dates.

MM also queried when clarity was likely to be known and highlighted that there was a lot of risk around the Forensic gateway and that these two issues should be discussed at the Forensic Services Strategic Partnership Forum. JF added that the risk would be updated following the review currently being carried out through the Forensic Services Strategic Partnership Forum. BB questioned if the risk will be updated before the Board meeting in August which JF replied that it was dependant on when the review is completed but an update would be provided in the covering paper. DH questioned if the risk title would change following the review, JF confirmed the title would change.

SM sought clarity on if it was the top 10 significant risks raised at the Committee or all significant risks. BB confirmed that it was all significant risks or the top 10 if there were fewer than 10 significant risks.

DECISION

Members **NOTED** the Risk Register and **AGREED** the actions.

5.2 Police Scotland Risk Register (Alan Waddell)

Reference ITEM NO 5.2 contained within pack.

AW referred Members to the paper highlighting that there were two newly identified risks, 5 which have remained static in terms of their score and 2 which have been removed.

DH referred to risk SRR 062 (Legislative Change – Children and Young People (S) Act 2014) and questioned why there were no actions within the plan and questioned what SPA are doing against the risk as it wasn't in the SPA Corporate risk register. JF replied that the risk was built into future SPA performance reporting and TMcM added that a briefing note in regard to this act had been circulated to Members and that SPA duties were included within information management. AW confirmed that a team were leading on legislation implementation and that the risk would be updated with action as they are developed. JF added that the corporate parenting aspect of the legislation is on the Agenda for the 6th August SPA Members meeting.

DH referred to risk SRR 051 (Public Space CCTV) and questioned if the full report presented to Scottish Government as mentioned in the mitigation plan was a Police Scotland report to which AW confirmed he would check with the risk lead. DH requested a conversation with the risk lead regarding the report as it had been raised at a couple of scrutiny committees.

DH also questioned if the National Digital Image Steering Group was a Police Scotland group. AW confirmed it was a Scottish Government group and that the appropriate contact for the Steering group could contact DH to further discuss.

ACTION – 300615-ARCPL-002 PS Risk FS 057 – Full update on Public Space CCTV to be provided to David Hume.

DECISION

Members **NOTED** the paper and **AGREED** the actions.

5.3 Recent Incidents (Alan Waddell)

AW advised there were no recent incidents to update.

6. Internal Audit

6.1 Whistleblowing (David McLaren)

Reference ITEM NO 6.1 contained within pack.

DMcL referred Members to the paper noting that the report reviews controls in place between April 2014 and April 2015 and that whistleblowing was dealt with by both the Counter Corruption Unit and Professional Standards department. DMcL confirmed that Safecall was not renewed in March 2015 and the internet based site 'Integrity Matters' had been introduced in March 2015. DMcL referred Members to the conclusions, stating that Integrity Matters was working well based on performance and awareness.

BB raised concern that there were no completion dates against actions. MA agreed, highlighting that the lack of completion dates renders the actions as meaningless and open ended. AMcD agreed that completion dates should be included in all action plans. BB added that more clarity was needed on

management recommendations, specifically that 'accepted' or 'not accepted' be shown.

ACTION – 300615-ARCPL-003- Internal Audit – Completion dates to be included in all action plans with more clarity on management recommendations. All management commentary should start 'accepted' or 'not accepted'.

MA referred to governance and oversight within the paper and stated that she did not think Complaints and Conduct Committee was the right committee to oversee whistleblowing and felt it was more appropriate to come to the newly formed Finance, Audit and Risk Committee. DMcL replied that some of the reports would be a matter of conduct so would need to go to the Complaints and Conduct Committee. BB questioned if the recommendations for governance had been brought to SPA and if it was for SPA to decide governance routes. JF confirmed that it would come to SPA for review and there would be a filtering process as some reports would have to go through Complaints and Conduct whereas others wouldn't.

MM referred to 2.2 of the action plan and sought clarity on the management response to the review of criteria for 'whistleblowing'. AMcD responded that all matters raised through Integrity Matters would be treated as 'whistleblowing'.

MM questioned if there is an agreement with Crimestoppers over how calls are managed. AMcD confirmed that Crimestoppers data is sent to Professional Standards for review. JF advised he would speak to DCC Richardson to discuss the inclusion of management information within the Integrity Matters presentation at a future committee.

ACTION – 300615-ARCPL-004- Integrity Matters – J Foley to speak to DCC Richardson about how reporting from Integrity Matters will flow from Police Scotland to SPA governance.

DH highlighted that the management responses within the report were not clear and needed further specification and was therefore not happy to endorse the report. MA added that she felt whistleblowing was different to some of the wider issues and the distinction was not made within the report. BB asked JF if there was a whistleblowing policy, CMcI confirmed there was a policy but it was not called 'Whistleblowing'.

MA noted that at 1.09 in the report, the statement on Police Scotland and SPA communicating together reads as a recommendation but is not noted within the action plan. DMcL agreed that it should be a recommendation and there needed a better join up of recommendations and actions. AMcD agreed to update the paper and bring back to the Committee.

ACTION – 300615-ARCPL-005- Integrity Matters – A McDonald to update and amend report and bring back to further Committee.

AM advised that 'Integrity Matters' was part of the induction process for all new officers and staff members. JF confirmed he would clarify how it is communicated to new members of SPA.

ACTION – 300615-ARCPL-006- Integrity Matters – J Foley to confirm that Integrity Matters will be included with SPA staff induction.

AM referred to 2.1 of the action plan and raised concern over the accuracy of the information given, specifically that 40% of the force do not have access to computers. DMcL confirmed that this information had been provided verbally by Police Scotland HR. SM requested she be advised of who provided this information as it was not factually correct. SM reassured Members that the only staff members who did not have access to a computer were manual workers such as cleaners and car mechanics.

ACTION – 300615-ARCPL-007- Integrity Matters – D McLaren to confirm to S Mitchell who provided information on computer access numbers as quoted in report (40%).

DECISION

Members **NOTED** the paper and **AGREED** the actions.

6.2 Procurement (David McLaren)

Reference ITEM NO 6.2 contained within pack.

DMcL referred Members to the paper and provided a brief overview.

DH reiterated that action plans should have completion dates and sought clarity on management actions, specifically if management responses are accepted or not accepted.

SM requested that all internal audit reports are sent to Police Scotland SPA liaison for factual accuracy. BB agreed that this would assist with standardising all reports.

IW noted that the recommendations and action plans appear to be interlinked and sought assurance on how management and auditors are ensuring consistency on recommendations in all reports. BB replied that all recommendations and findings are picked up by Gordon Downie in Police Scotland who manages consistency.

DECISION

Members **NOTED** the paper.

6.3 Corporate Strategy (David McLaren)

Reference ITEM NO 6.3 contained within pack.

DMcL referred Members to the paper and provided a brief overview.

Members had no questions or comment on the paper.

DECISION

Members **NOTED** the paper.

6.4 2014/15 Annual Internal Audit Report (Amy McDonald)

Reference ITEM NO 6.4 contained within pack.

DMcL referred Members to the paper and provided a brief overview.

MM asked if the direction of travel was broadly similar to last year. DMcL replied that this year Internal Audit were looking at more higher areas of control so the findings would be more significant and more far reaching in terms of the actions coming from them.

BB noted he felt the report showed that control environments were in a better position to last year. DMcL stated that there were definite improvements and that the momentum would continue. DB confirmed that the control environment was in a better position, governance processes were better but there were political and financial challenges in the future years.

IW referred to auditing on budget monitoring and sought clarity on how this would be carried out in the future. AMcD confirmed that external audit resources would be involved in looking at budget monitoring going forward.

SM referred to the arrows in the direction of control travel table and noted she felt it was a harsh representation of the work given internal auditors had stated there had been an improvement. DMcL

agreed that the arrows could be amended to reflect this.

ACTION – 300615-ARCPL-008- 2014/15 Annual Internal Audit Report – D McLaren to amend arrows in Direction of control travel table to reflect improvement since last year.

DH sought reassurance that when specification on programme management is drawn up, ICT project delivery will be included. AMcD confirmed that it was included in the scope of the review and would be included as part of the audit work.

AM referred to section 2 'other weaknesses' and requested further information on weaknesses related to the progress of national policies and procedures.

ACTION – 300615-ARCPL-009- 2014/15 Annual Internal Audit Report – D McLaren to provide further information on weaknesses related to the progress of national policies and procedures.

DECISION

Members **NOTED** the paper and **AGREED** the actions.

7. Improvement Tracker

7.1 SPA Improvement Tracker (Graham Stickle)

Reference ITEM NO 7.1 contained within pack.

GS referred Members to the paper and invited any questions or comment.

BB requested that going forward, a link to the tracker is provided as opposed to being printed with only a summary provided in the cover paper of any changes.

ACTION – 300615-ARCPL-010- SPA Improvement Plan – Future reporting of the tracker to include link to tracker instead of hard copy with a summary of any changes provided in cover paper.

MM asked if the tracker included the SPA continuous improvement plan which GS confirmed it did not and was being dealt with separately.

DECISION

Members **NOTED** the paper.

7.2 Police Scotland Improvement Tracker (CI Fergus Byrne)

Reference ITEM NO 7.2 contained within pack.

BB advised that the paper provided reported on HMICS recommendations but the Improvement tracker should cover all actions placed on Police Scotland and requested that this be incorporated into the briefing provided.

AM advised that the paper was specific on HMICS and provided a brief overview highlighting that due to the number of recommendations, suggestions and improvement actions, a summary will be provided in a RAG status on a quarterly basis.

BB advised that the paper should be developed to include other actions from other partner

organisations, AM agreed this would be included in future.

EW suggested that in future reports a wheel of progress be included to give the Committee an indication of how actions are moving forward. BB further suggested that some drafts reports are discussed between SPA and Police Scotland before the next committee.

ACTION – 300615-ARCPL-011- Police Scotland Improvement Tracker – Draft reports including rag status and wheel of progress for actions from all agencies to be discussed between SPA and Police Scotland prior to next Committee. Police Scotland to provide first report to next Committee.

DECISION

Members **NOTED** the paper and **AGREED** the actions.

8. Stop and Search Improvement Plan (DCS Andy McKay)

Reference ITEM NO 8 contained within pack.

AI introduced the paper to Members, noting that the plan had been tabled at the Board meeting on 27th May 2015 and had since been amended to take account of Members' comments and the updated plan was what had been currently brought.

IT provided a brief overview of the paper.

TMcM added that SPA were aligned with the piece of work with TMcM representing SPA on the strategic group and tactical group with MM representing SPA on the independent advisory group.

BB noted that all of the status items within the report were yellow though the dates had passed and questioned if they were overdue. IT confirmed that everything was on track but internal processes were still being looked at therefore the items were still yellow until confirmation of processes.

MM commented that the level of work being done is good but questioned when the results of the three months testing phase would be available to which AI confirmed they would be available for the next meeting.

IW noted that he knew Fife Council were keen to see the report from the Fife Pilot and that they were expecting a workshop event where they could discuss Stop and Search. AI advised that he would look into the request for a workshop with Fife Council.

ACTION – 300615-ARCPL-012- Stop and Search Improvement Plan – A Irvine to look at request from Fife Council to hold a workshop for further discussion.

JF confirmed he would circulate the Fife pilot report to Fife council.

ACTION – 300615-ARCPL-013- Police Scotland Improvement Tracker – J Foley to send Fife pilot report on Stop and Search to Fife council.

DECISION

Members **NOTED** the paper and **AGREED** the actions.

9. Timetable for production and completion of Annual Accounts (Amy McDonald)

Reference ITEM NO 9 contained within pack.

AMcD referred Members to the paper and provided a brief overview.

Members had no questions.

DECISION

Members **NOTED** the paper.

10. AOCB (Brian Barbour)

AMcD updated the Members on the new internal audit providers highlighting that terms and conditions with Ernst and Young could not be agreed. Indemnity clauses within the contract could not be agreed on and SPA could not accept changes raised by Ernst and Young. Following procurement rules, the company who came second in the tendering process, Scott Moncrief, were offered the contract and they have agreed the terms and conditions within the contract.

11. Date of Next Meeting: 4th October 2015

End.

DRAFT FOR APPROVAL