

Minute of Audit Committee

Meeting	Audit Committee	Date/Venue	Wednesday 18 April 2018, Pacific Quay, Glasgow.
Meeting Called By	David Hume, Chair	Start Time	10:05
Reference Meeting No	SPACAUDIT-060318	End Time	14:10

Members Present		In Attendance	
Name	Title	Name	Title
David Hume	Committee Chair	ACC Alan Speirs	Assistant Chief Constable, Police Scotland
Grant Macrae	Authority Member	CS John Paterson	Chief Superintendent, Police Scotland
		James Gray	Chief Financial Officer, Police Scotland
		Donna Adam	Audit Manager, Police Scotland
		Sarah Jane Hannah	Head of Financial Accounting, Police Scotland
		Fiona Davidson	Risk Manager, Police Scotland
		Susan Cook	Strategic Engagement, Police Scotland
		Kenneth Hogg	Interim Chief Officer, SPA
		Graham Stickle	Risk and Policy Specialist, SPA
		Catherine Topley	Director, SPA (item 11 only)
		Lynne Clark	Programme Development Manager, SPA (item 12 only)
		John McLean	Temporary Head of HR Governance, SPA
		Lynsey McNeil	Director of Governance and Assurance, SPA
		Gary Devlin	Relationship Partner, Scott Moncrieff
		Helen Berry	Head of Internal Audit, Scott Moncrieff
		Stephen Boyle	Assistant Director, Audit Scotland
		Carole Grant	Senior Audit Manager, Audit Scotland
		Clare McFadyen	Temporary Committee Co-ordinator, SPA

1. Introduction/Welcome

1.1 Chair's Opening Remarks

1.1.1 The Chair welcomed attendees to the meeting and thanked them for their attendance at the meeting. It was noted that this would be Sarah Jane Hannah's last meeting and, on behalf of the Committee, the Chairman thanked her for all the work she had undertaken on the Committee's behalf and wished her every success in the future.

1.2 Apologies

1.2.1 There were no apologies received.

1.3 Declarations of Interest:

1.3.1 There were no declarations of interest.

1.4 Any other business

1.4.1 The Chair requested that item 7 be considered following on from item 5.7 for continuity of discussions, although the minute would reflect the order of the agenda.

1.4.2 The Chair noted that a separate session on General Data Protection Regulation (GDPR) would take place following the Audit Committee meeting at 14:00pm and that the discussions at item 11 would, therefore, be minimal.

2. Minute and Actions from previous meeting:

2.1 Subject to the amendment of some typographical errors, the minute from the meeting on 9 October 2017 was approved by the Committee **ACTION: 180418-PAUDIT-001**

2.2 It was agreed that more clarity was required round items 5 and 6 of the minute and that the Chair would take this forward with the Committee Co-ordinator. The minute would be brought to the Committee for review and approval on 24 July. **ACTION: 180418-PAUDIT-002**

2.3 The Rolling Action Log was approved by the Committee

3. Matters Arising

3.1 There were no matters arising.

4. Confirmation of Private business for 18 April 2018

4.1 The Chair confirmed the rationale for private business as outlined in the Agenda.

5. External Audit Reports

5.1 Workforce Planning Review

5.1.1 It was noted that this matter would be carried forward to the July meeting of the Committee. **ACTION: 180418-PAUDIT-003**

5.2 HR Management Reporting Review

5.2.1 It was noted that this matter would be carried forward to the July meeting of the Committee. **ACTION: 180418-PAUDIT-003**

5.3 Financial Ledger

5.3.1 Mr Devlin introduced the paper which provided the Committee with outcomes and proposed actions following on from the review of the financial ledger.

5.3.2 The Chair requested that a copy of the Financial Ledger be provided to the Finance

Committee, for its information. **ACTION: 180418-PAUDIT-004**

5.3.3 The Committee considered and discussed the paper which had been presented and requested that the Chief Financial Officer of Police Scotland produce a paper outlining the progress made against the recommendations of the Financial Ledger Review.

ACTION: 180418-PAUDIT-005

5.3.4 The Report was noted by the Committee.

5.4 Risk Management Strategy

5.4.1 It was noted that this matter would be carried forward to the July meeting of the Committee. **ACTION: 180418-PAUDIT-003**

5.5 Q4 Follow Up Report

5.5.1 Ms Berry presented the internal audit follow up report to the Committee which summarised the progress made by management in implementing the agreed management actions for the internal audit recommendations made.

5.5.2 The Committee considered and discussed the paper which had been presented. It was noted that the Chief Financial Officer of Police Scotland produce a paper outlining the progress made against the recommendations of the Financial Ledger Review.

ACTION: 180418-PAUDIT-006

5.5.3 The Report was noted by the Committee.

5.6 Progress Report

5.6.1 Ms Berry presented the internal audit progress report to the Committee. She highlighted that the report provided a summary of internal audit activity and confirmed the reviews this were planned for the coming quarter.

5.6.2 The report was noted by the Committee.

5.7 Review of Accounts Preparedness

5.7.1 The Committee noted the report which outlined that Police Scotland had adopted a project management approach to the accounts planning work to ensure that there were sufficient controls in place to provide assurance that the production of the 2017/18 accounts would be managed effectively and within the agreed timescales.

5.7.2 It was further noted that the Finance team had committed considerable effort and resources to develop the 2017/18 Annual Report and Accounts project and to support year-end, property plant and equipment timetables. In addition, specific steps had been taken to prevent previous year-end issues from recurring.

5.8 Governance

5.8 Ms Berry presented the paper which provided the Committee with a report on the internal audit review of Governance.

5.9 Following discussion and review of this paper, it was agreed that consideration would be given as to how best disseminate the information contained in the internal audit Governance Report to the Board. **ACTION: 180418-PAUDIT-007**

5.10 The report was noted by the Committee.

6. National Fraud Initiative Lessons Learned

6.1 Ms Hannah presented the report to the Committee which provided an update on the current status of the 2018 National Fraud Initiative.

6.2 The Committee noted the report which had been provided.

7. Annual Reports and Accounts Lessons Learned and Project Plan

7.1 Ms Hannah presented the report to the Committee which provided an update on the approach which had been developed for the production of Police Scotland/Scottish Police Annual Report and Accounts, including examining the key risks involved in producing this report.

7.2 The Committee requested that a reporting log be produced on the progress being made in relation to the timetable which had been produced for the Annual Report and Accounts Lessons Learned. **ACTION: 180418-PAUDIT-008**

8. Technical Update

8.1 Mr Gray provided a verbal update to the Committee and outlined the various technical updates which may affect the published financial results including, but not limited to, the Government's Financial Reporting Manual, Audit Scotland Guidance and guidance from the Financial Reporting Council.

8.2 The update was noted by the Committee.

9. Governance Statements

9.1 Mr Hogg provided the Committee with a verbal update on the progress being made in respect of the preparation of the Governance statements will be included in the Annual Report.

9.2 The update was noted by the Committee.

10. SPA Committee Assurance Reports 2017/18

10.1 It was agreed that the Audit Committee Chair and Mr MacRae would review the Annual Assurance Reports from all of the Committees in advance of a report regarding these being provided to the Board on 31 May 2018. **ACTION: 180418-PAUDIT-009**

11. General Data Protection Regulation Preparedness

The Committee noted that a dedicated session regarding GDPR would take place following this Audit Committee meeting therefore, the updates on this matter would be brief.

11.1 Scottish Police Authority

11.1.1 Ms Topley presented the paper which provided an update on the progress by the SPA to address the forthcoming measures on Data Protection Reform which was the result of the Data Protection Bill and the General Data Protection Regulations 2016.

11.2 Police Scotland

11.2.1 CS John Paterson presented the paper which provided an update on the progress by Police Scotland to address the forthcoming measures on Data Protection Reform.

12. Improvement Trackers

12.1 SPA Improvement Progress Update

12.1.1 Ms Clark introduced the paper which provided an update on the progress of improvement activity being undertaken within the SPA in response to recommendations from reviews over 2017 and 2018.

12.1.2 Following some discussion of the paper which had been provided, the Committee requested that assurance be provided to the Committee that the work being undertaken in Forensics addressed the concerns which had been highlighted and that this was incorporated into the SPA Tracker in due course. **ACTION: 180418-PAUDIT-010**

12.1.3 The report was noted by the Committee.

12.2 Police Scotland

12.2.1 Ms Adam introduced the paper which provided the Committee with an update on the current status of the audit and improvement recommendations which were made by external bodies.

12.2.2 Following discussion of the paper, the Committee requested that the Police Scotland tracker contained information in relation to recommendations in respect of Health and Safety matters to allow the Audit Committee to provide assurance to the Board in this matter. **ACTION: 180418-PAUDIT-011**

12.2.3 The Committee noted the report.

13. Whistleblowing

13.1 SPA Whistleblowing Progress Report

13.1.1 Mr McLean provided the Committee with a verbal update, and advised that no instances of whistleblowing had been reports since the last meeting of the Audit Committee and that an annual report would be presented in January 2019.

13.1.2 The Committee noted the update which had been provided.

13.2 Police Scotland Whistleblowing Progress Report

13.2.1 ACC Speirs presented the paper which provided the Committee any the annual figures in terms of referrals to the PSD Gateway Unit, in addition to contextual information regarding the action taken in relation to referrals.

13.2.2 Following discussion of the paper and the detail on the actions which had been taken, the Committee requested that Police Scotland provide a breakdown of the "others" category of reporting instances of whistleblowing which was outlined in the report in order to allow for a more meaningful discussion and review of this matter and to ensure that this category was not masking any significant issues. **ACTION: 180418-PAUDIT-012**

13.2.3 The Committee noted the report.

14. SPA and Police Scotland Financial Regulations

14.1 Mr Gray presented the report containing the revised SPA and Police Scotland Financial Regulations, which would be submitted to the Board in due course. The Committee highlighted a number of amendments and revisions which required to be made to the Financial Regulations document and requested that these be implemented prior to the Regulations being presented to the Board on 2 May 2018. **ACTION: 180418-PAUDIT-013**

15. Audit Committee Self-Assessment

15.1 It was noted that this matter would be carried forward to the July Audit Committee Meeting.

16. Committee Workplan

16.1 It was noted that this matter would be carried forward to the July Audit Committee Meeting.

17. AOCB

17.1 There was no other business at this time.

Items 18 – 22 were taken in private

18. Date of Next Meeting: 24 July 2018