



Audit, Risk and Assurance Committee

7 November 2023

Minutes of the Audit, Risk and Assurance Committee held on Wednesday
2 August 2023 at 10am via MS Teams

Authority Members present:	Mary Pitcaithly (Committee Chair) Martyn Evans (Authority Chair) Paul Edie (Committee Member) Grant Macrae (Committee Member) Catriona Stewart (Committee Member)
Committee Member apologies:	Katharina Kasper
In attendance:	<u>Scottish Police Authority</u> Lynn Brown, Chief Executive Officer John McNellis, Head of Finance, Audit and Risk Graham Stickle, Audit and Risk Lead Lauren MacLeod, Audit, Risk and Assurance Officer John MacLean, Workforce Governance Officer (Items 4.2 – 6) Scott Ross, Head of Change and Operational Scrutiny Karen Vallance, Governance Support Officer <u>Forensic Services</u> Craig Donnachie, Head of Quality and Assurance <u>Police Scotland</u> James Gray, Chief Financial Officer Patrick Brown, Head of Finance

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	<p>Chief Superintendent Rob Hay (Items 4.4 – 6) Chief Superintendent Catriona Henderson (Items 4.4 – 6) Superintendent Damian Armstrong Alastair Corfield, Head of Best Value Kerri MacIver, Head of Portfolio Management Donna Adam, Audit Manager - transformation Angela Wood, Head of Policy, Audit, Risk and Assurance Fiona Miller, Enterprise Risk Manager Paul Colley, Head of CFO Portfolio Shared Services (Items 1-3.1)</p> <p><u>Grant Thornton</u> Joanne Brown, Partner, Audit-Public Sector (Items 1-4.1) Rebecca Lister, Senior Manager</p> <p><u>BDO</u> Claire Robertson, Head of Digital, Risk and Advisory Services</p> <p><u>HMICS</u> Craig Naylor Alan Wright</p>
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1. WELCOME AND STANDING ITEMS

The Committee Chair opened the meeting and welcomed all attendees. The Chair confirmed should any Committee Member drop off the call, Grant Macrae would Chair the meeting until the Committee Chair was reconnected.

The Committee **RESOLVED** to:

- **NOTE** apologies from Katharina Kasper;
- **NOTE** no declarations of interest;
- **ADOPT** the Minute of the 22 June 2023 meeting;
- **NOTE** the action log;
- **AGREE** that, in accordance with paragraph 20 of the SPA Standing Orders, the Committee would consider items 7-10 in private for the reasons set out on the agenda.

2. AUDIT AND IMPROVEMENT

2.1 INTERNAL AUDIT UPDATE

Members considered the report which provided review conclusions on the Core Financial System audit and Quarter 1 review results. Claire Robertson (CRobertson) highlighted a number of key points within the report, confirming on track to complete all scheduled reviews by the November meeting. Members were advised that future reports would detail follow up work on all recommendations which was welcomed by the Committee.

The Committee **RESOLVED** to:

- **NOTE** the report.

2.2 POLICE SCOTLAND AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER Q1

Members considered the report which provided an update of current open recommendations from all audit and improvement activity. Angela Wood introduced the paper, advising the Committee of internal governance arrangements in reporting progress. Donna Adam highlighted a number of key points within the report.

In discussion the following matters were raised:

- Members questioned whether original timescales are reviewed and heard there is regular engagement with business areas and deep dives are undertaken on a number of publications. Members were advised a higher degree of timescales are met when prioritised with other activity. The Committee Chair stated it was important to set ambitious timescales but complexities and dependencies should be reviewed.
- Members sought further comment on benefits realisation and were informed the recommendations have been addressed in relation to process, but evidencing is an issue. Members questioned whether the process is useful if an example can't be provided and heard it was, but no business cases brought so far have the benefits required for evidencing. CRobertson confirmed BDO would be looking at a project within Police Scotland which would allow the opportunity to look at benefits and BDO would then provide comment.

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- In relation to pending recommendations on ICT service delivery, Members were advised dates were milestone dates, not completion dates.
- Members sought reasons for the slippage of ICT service delivery recommendation 2.2 and were assured there was a service catalogue but it was not detailed. Members heard it would be enhanced further with progress expected to be reported to the next Committee.
- The Committee Chair noted the Committee were keen to see progress of milestones and completion of pending recommendations.

The Committee **RESOLVED** to:

- **NOTE** the report.

2.3 SPA AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER

Members considered the report which provided an update on open recommendations from all SPA corporate audit and inspection activity; plus progress against the SPA Business Plan (2023/24). John McNellis (JMcNellis) highlighted a number of key points within the report.

In discussion the following matters were raised:

- Paul Edie confirmed that the toxicology implementation plan would be discussed at the upcoming Forensic Services Committee.
- The Committee were advised there were a number of interdependencies with Police Scotland but the next report would detail progress.

The Committee **RESOLVED** to:

- **NOTE** the report.

3. INTERNAL AUDIT REPORTING

3.1 INTERNAL AUDIT REPORTS

Members considered the Internal Audit Report on Core Financial Systems from the 2023/24 internal audit plan. CRobertson highlighted a number of key points within the report.

In discussion the following matters were raised:

- Members were advised it was a deliberate choice for core financial systems to be the first audit undertaken by BDO, in order to gain a

fresh opinion. Both JMcNellis and James Gray (JGray) agreed it was encouraging to receive substantial assurances.

- Members welcomed the inclusion of a list of good practice.
- Members questioned whether there was any scope for data cleansing and JGray advised the number of bank accounts had reduced substantially. Members heard the introduction of P2P has reduced suppliers and work continues to move to digitisation, however there will still be multiple bank accounts due to the organisation size.
- Members sought an update in respect of progress of actions, and heard further work was required to review exceptions to ensure no duplicate payments. Members were advised Police Scotland were confident timescales would be met.

The Committee **RESOLVED** to:

- **NOTE** the report.

4. ASSURANCE REPORTING

4.1 POLICE SCOTLAND CHANGE PORTFOLIO UPDATE

Members considered the report which provided a summary of current work undertaken within the Police Scotland Change Portfolio. Kerri MacIver (KMacIver) highlighted a number of key points within the report.

In discussion the following matters were raised:

- The Committee Chair praised the National Change Event, noting it was extremely useful to visit each project and was presented very positively.
- Members sought further information on the status of the Modernising Contact and Engagement Programme and heard the red status was from the National Integrated Communications Control System project (NICCS) whereas the contact piece is green. Members heard the NICCS testing is complex, and work continues to address defects. Members were assured it was being managed but remained red until that work was complete. It was anticipated it would move from red by October 2023.
- Craig Naylor (CNaylor) agreed NICCS was complex and difficult to achieve, but HMICS would be interested in progress.
- Members were informed Data Drives Digital slippage had been resolved and it now reported as green.

- Noting some projects are consistently red, Members sought clarity on how projects are prioritised. KMacIver advised that the 'previous' to 'forecast' reporting covers three months which is not a long timescale given the complexity of some projects. Members were assured they are monitored and reviewed monthly and KMacIver agreed to share a three-year roadmap.
- Members heard the Policing Performance Committee would be having a deep dive on the Modernised Contact and Engagement Programme and, depending on assurances received, the Committee may recommend the Audit, Risk and Assurance Committee to discuss further.

The Committee **RESOLVED** to:

- **NOTE** the report.
- **AGREE** the following action:

Three year roadmap to be provided to Members.

20230802-AUD-001

4.2 POLICE SCOTLAND BEST VALUE PROGRESS UPDATE

Members considered the report which provided an update on the development of the Best Value function. Alasdair Corfield highlighted a number of key points within the report.

In discussion the following matters were raised:

- Members were informed that if the right skills could not be recruited, secondments from Local Government would be considered.
- In relation to lessons learned from the procurement based pilot, the Committee heard wider implications on procurement could have been considered as it would have delivered greater benefits.
- The Committee Chair asked when the plan will be rolled out, and heard the plan will be built around the risk register but in the short term there may be possible short pilots for tactical reasons.

The Committee **RESOLVED** to:

- **NOTE** the report.

4.3 SPA BEST VALUE UPDATE

Members considered the report which provided an annual update on progress with the Authority's obligations to achieve and demonstrate Best Value. JMcNellis highlighted a number of key points within the report.

Members requested further detail on areas of non-compliance within the next report.

The Committee **RESOLVED** to:

- **NOTE** the report.
- **AGREE** the following action:

Next report to contain more detail on areas of non-compliance.

20230802-AUD-002

4.4 POLICE SCOTLAND ANNUAL WHISTLEBLOWING REPORT

Members considered the report which provided an update in relation to Police Scotland's Whistleblowing data for Financial Year 2022/23 and planned next steps for Year 2023/24. Chief Superintendent Catriona Henderson highlighted a number of key points within the report.

In discussion the following matters were raised:

- Members sought clarity on 'business interests and notifiable associations' and heard they relate to additional business or any association that may compromise roles.
- Members were informed that the 14 reports recognised as whistleblowing were identified as a complaint. Of the 14 reports, 13 led to criminal enquiries with 1 identified as non-criminal. 7 matters were reported to the Crown Office.
- Members questioned who carries out assessments of whistleblowing and heard the Professional Standards Gateway is the central receiving point who assess everything. Members queried whether there were any independent reviews of assessments and heard all assessments were all undertaken internally. Members were assured the right level of assessments have been carried out.
- In the absence of specific survey's, Members questioned how confidence in the system is measured and heard all concerns submitted are considered whistleblowing even if not specifically stated. Members were informed the subject of whistleblowing is included in a session relating to professional standards which recruits attend early in their training.

The Committee **RESOLVED** to:

- **NOTE** the report.

4.5 SPA ANNUAL WHISTLEBLOWING REPORT

Members considered the report which provided an annual update and assessment on the effectiveness of whistleblowing arrangements within the SPA. John MacLean highlighted a number of key points within the report.

In discussion the following matters were raised:

- Members sought further information on how Forensic Services measure confidence. Craig Donnachie explained that Forensic Services haven't performed a bespoke survey on the topic but they have the ability to understand when staff have read procedures and know 96% have acknowledged the procedure. As required by the ISO 17025 standard, the quality manual also comments on Whistleblowing and the manual is issued frequently.
- Members suggested the next step for Forensic Services could be to monitor staff confidence on accessing the policy.
- Members were assured that statistics within the report included SPA Corporate and Forensic Services, unless specifically stated.

The Committee **RESOLVED** to:

- **NOTE** the report.

5. HMICS SCRUTINY PLAN

The Committee Chair welcomed CNaylor to the Committee, who provided a detailed overview of the recently published HMICS Scrutiny Plan.

In discussion the following matters were raised:

- Members were informed that there were no revisions to the initial consultation areas and changes were around prioritisation.
- Members heard it was unlikely that HMICS would recommend similar messaging on mental health to the Metropolitan Police. HMICS would be looking at how partners work more effectively with Police Scotland to manage responses and treatment.
- Regarding the three strategic reviews, Members heard focus would be on front line capacity and capability, and in-person training.
- Members welcomed the focus on joint inspections.

The Committee **RESOLVED** to:

- **NOTE** the report.

6. AUDIT, RISK AND ASSURANCE COMMITTEE WORK PLAN

Members were presented with the work plan which proposed Committee items for the next 12 months.

The Committee **RESOLVED** to:

- **NOTE** the plan.

end