

AUDIT, RISK AND ASSURANCE COMMITTEE

20 JANUARY 2022

Minute of the Scottish Police Authority Audit, Risk and Assurance Committee held on Thursday 20 January 2022 via video-conference

Board Members Present: Jane Ryder (Committee Chair)
Grant Macrae (Committee Member)
Katharina Kasper (Committee Member)
Catriona Stewart (Committee Member) (Items 2- 7)
Caroline Stuart (Authority Member) (Items 2- 7)

In attendance: Police Scotland
David Page, Deputy Chief Officer
Assistant Chief Constable Alan Speirs
Andrew Hendry, Chief Digital and Information Officer
James Gray, Chief Financial Officer
Alasdair Corfield, Financial Controller
Fiona Miller, Enterprise Risk Manager
Phil Collard, Head of Estates

Scottish Police Authority
Chris Brown, Interim Chief Executive, Resources
John McNellis, Head of Finance, Audit and Risk
Graham Stickle, Audit and Risk Lead
John MacLean, Workforce Governance Lead (Item 4)

Audit Scotland
Gillian Woolman, Audit Director
Pauline Gillen, Senior Audit Manager

Scott Moncrieff
Gary Devlin, Relationship Partner
Andrew Diffin, Internal Audit Manager

Paul Kelly, Director – Business Technology and Consulting

SPA Secretariat

Karen Vallance, Governance Support Officer

1. WELCOME AND STANDING ITEMS

The Committee Chair opened the meeting and confirmed the video-conference contingency arrangements.

The Committee **RESOLVED** to:

- **NOTE** no Committee Member apologies;
- **NOTE** no declarations of interest;
- **ADOPT** the minute of the 16 September 2021 meeting;
- **NOTE** the action log and that there were no matters arising. The Chair requested actions 20210916-AUD-001 and 20210916-AUD-002 remain open.
- **AGREE** that, in accordance with paragraph 20 of the SPA Standing Orders, the Committee would consider items 8-10 in private for the reasons set out on the agenda.

2. AUDIT AND IMPROVEMENT PROGRESS

2a. INTERNAL AUDIT UPDATE

Members considered the report which provided an update on progress against the Annual Internal Audit Plan and a summary of management progress in completing management actions arising from internal audit reports. Gary Devlin (GDevlin) summarised a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members stressed the importance of the strategic planning report which was scheduled to be presented but had not been finalised. However, Members were provided with assurance that all reports scheduled to be tabled at the May Committee were on track to be delivered. Given the importance of the strategic planning report,

Members agreed that rather than wait until May, the report would initially be circulated by correspondence.

- Regarding the forensic services case management report, Members were informed of an error within the report concerning the MOU and were advised the MOU update was scheduled to be discussed at the Forensic Services Committee in February 2022, and agreed during Quarter 4 at the earliest.

The Committee **RESOLVED** to:

- **NOTE** the report

2b. POLICE SCOTLAND AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER QUARTER 3

Members considered the report which provided an update of current open recommendations from all audit and improvement activity. ACC Alan Speirs (ACCSpeirs) summarised a number of key points as detailed in the paper.

In discussion the following matters were raised:

- The Committee welcomed the analysis of themes and data, which had identified some issues, and Members noted the topical themes highlighted would also be of interest to the Resources and People Committees.
- Members noted recommendations not achieved by 31 December 2021 now had dates of June 2022 at the earliest, and sought assurance that these would be met. ACCSpeirs confirmed he was confident the dates were realistic although they were reliant on senior business leads completing due diligence. Members were also assured there was clarity on the ownership of the two recommendations from the Benefits Realisation report.
- The Chair highlighted it was useful to see handling of recommendations from the Dame Elish report, which would also be of interest to the Complaints and Conduct Committee. The Chair also welcomed the inclusion of Appendix B which detailed the summary of achievements.
- Members noted the last HMICS recommendations reported were from July 2021 however, there had been three HMICS reports published since. The Thematic Inspection of Training and

Development phase 2 report was published in October 2021, of interest to the People Committee. Validation of Transformation Benefits was published in November 2021 although there were no specific recommendations, and the North East Custody Inspection report was published in December 2021, which was very positive. ACCSpeirs reported Police Scotland were content with the North East Custody Inspection report from a policing perspective, and work was progressing well.

- Members stressed that in future, the Committee wishes to see relevant action plans from an oversight perspective, and that the reports and plans will be of interest to other relevant committees

The Committee **RESOLVED** to:

- **NOTE** the report.

2c. SPA AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER

Members considered the report which provided an update on the progress against the SPA corporate business plan (2021/22) and open recommendations from all SPA corporate audit and inspection activity. John McNellis (JMcNellis) summarised a number of key points as detailed in the paper, confirming business plan milestone 5.1 had a revised date of May 2022, not November 2021 as stated within the paper.

The Chair sought comment on progress of Best Value, from both the SPA and Police Scotland. For the SPA, JMcNellis confirmed SPA had completed the first assessment and gap analysis was now underway. A presentation to Forensic Services Senior Management Team is scheduled and work will be included within both SPA and Forensic Services Business Plans. For Police Scotland, Deputy Chief Officer David Page (DCOPage) advised the Committee that the organisation was now visibly building best value into decision making and he introduced Alasdair Corfield (ACorfield) who is undertaking a core best value role. ACorfield advised the Committee that work is underway on a proposal detailing how best value is taken forward, using the same toolkit as Audit Scotland. A self-assessment will be undertaken then evaluated on a cyclical basis to ensure learning is put in place. Resources have been identified and meetings have been held internally and with partners including Azets to progress the work. The Committee were encouraged by the work being progressed.

The Committee **RESOLVED** to:

- **NOTE** the reports.

3. INTERNAL AUDIT REPORTS

Members considered three new internal audit reports on Overtime and Allowances, Estates Management, and Data Quality and Integrity.

Overtime and Allowances

Andrew Diffin (ADiffin) highlighted a number of key points as detailed within the report.

In discussion the following matters were raised:

- Members were informed the analysis was a full data set from period 31 August 2020 to 31 August 2021 so that any pending claim was through the system and the value of inaccurate payments was close to accurate. DCOPage advised Members erroneous overtime payments were made for work undertaken and the errors were in relation to policy. The decision was taken to write the payments off as the individual payments were low and paid for work actual done.
- Regarding control objective no.1, Members requested detail be provided on consideration of alternative processes put in place for those areas which do not have a business unit. James Gray (JGray) added that overtime and expenses was an area identified to be overhauled within the Enabling Policing for Future Programme, and work will be progressed in conjunction with the People and Development department.

Estates Management

ADiffin highlighted a number of key points as detailed within the report.

In discussion the following matters were raised:

- In response to queries around the management actions, Phil Collard (PCollard) assured Members that Police Scotland worked closely with Azets and agreed on actions. The first National Estates Transformation Board has taken place which is chaired by DCOPage and reports internally to the Corporate People Management Board and the Corporate Finance and People Board. It will meet four times a year and is strategic in nature, linking with the budget setting

process. The Chair requested a diagram be provided detailing Police Scotland's internal governance structures and the estates transformation governance structure, showing where estates fits into the overall structure.

- Members sought further assurance on the oversight of the estates strategy and how it was linked across wider strategic planning. GDevlin confirmed the delayed strategic planning audit should provide further detail in this area. DCOPage added a strategy team had been put in place as external assistance had been relied on previously, which had not provided continuity of capability. Consideration is being given to setting up a new structure within the estates department to support a national estates capability to deliver the estates strategy.
- Members acknowledged the report highlighted a huge amount is still to be done, despite the positive progress already made.
- The Chair identified the importance within the estates strategy of the custody estate to which some recommendations were reported in Item 2b as delayed.

Data Quality and Integrity

Paul Kelly highlighted a number of key points as detailed within the report.

In discussion the following matters were raised:

- Members were assured amber ratings were appropriate and September due dates were realistic.
- Members particularly identified the importance of recommendations regarding early considerations of data quality in project management methodology.
- Members acknowledged progress had been substantial, however highlighted movement of people within the organisation is business as usual and questioned how that is mitigated against. ACCSpeirs agreed the report reflected the positive journey and welcomed the actions. ACCSpeirs also confirmed that specialist staff recruitment would commence shortly which would assist in reducing staff movement.
- Members heard there was a cultural shift in moving from asset ownership to data ownership which was progressing well. In addressing project methodology, Andrew Hendry confirmed that

data is now part of project design; and culture, approach and behaviours are now demonstrable but the component is still to be worked through.

- Members heard the future Internal Audit Plan included work on data reporting effectiveness.
- Members requested a briefing be provided to the Committee on Police Scotland's data ethics framework.
- Member sought assurance that all steps are being taken at the relevant times to reach a green target and questioned whether the tracking and risk management reported offered the correct assurance. GDevlin added that risk appetite comes through implicitly through management response to actions.

The Committee **RESOLVED** to:

- **NOTE** the three reports.
- **AGREE** the following actions:

Detail to be provided on consideration of alternative processes put in place for those areas which do not have a business unit (control objective no.1 – Overtime and Allowances Report)

20220120-AUD-001

Diagram to be provided detailing Police Scotland's internal governance structures and estates transformation governance structure showing where estates fits into the overall structure (Estates Management report)

20220120-AUD-002

Briefing to be provided on Police Scotland's data ethics framework (Data Quality and Integrity report)

20220120-AUD-003

4. WHISTLEBLOWING

4a. SPA WHISTLEBLOWING UPDATE

Members considered the paper which provided a mid-year whistleblowing update (annual updates provided after end of Q1) with a specific focus on training and measurement of staff confidence to raise concerns. John MacLean highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members agreed that the Your Voice Matters survey and the SPA Pulse Survey did not provide specific assurance on staff confidence in the whistleblowing process, or raising a concern of a whistleblowing nature.
- Members requested more consideration be given to identify and implement ways to measure confidence to report whistleblowing, exploring the option of including relevant questions in officer / staff surveys.

The Committee **RESOLVED** to:

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

Identify and implement ways to measure confidence to report whistleblowing exploring the option of including as a question in officer / staff surveys.

20220120-AUD-004

4b. POLICE SCOTLAND WHISTLEBLOWING UPDATE

Members considered the paper which provided an update on Police Scotland's Whistleblowing process related to training and how staff confidence in the process is measured. ACCSpeirs highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members voiced similar views as with SPA report. They heard another Your Voice Matters survey was not yet scheduled however ACCSpeirs provided assurance that Members concern on the lack of questions on whistleblowing confidence would be fed back.
- Members discussed how the Audit, Risk and Assurance Committee are required to be assured on the process, with outcomes reported to the Complaints and Conduct Committee. ACCSpeirs confirmed whistleblowing information within gateway referrals and investigation outcomes are reported in detail to the Complaints and Conduct Committee. ACCSpeirs advised that the speed of investigations are not a priority as some cases are complex so timing has to be balanced.
- The Chair commended the Investigative Wellbeing Guidance and Feedback process.

The Committee **RESOLVED** to:

- **NOTE** the reports

5. INTERNAL AUDIT PLAN

Members considered the paper which provided Members with the draft internal audit plan for 2022/23 for consideration and recommendation to the Board for approval. JMcNellis highlighted a number of key points as detailed in the paper, and GDevlin confirmed engagement with Audit Scotland and HMICS had taken place in relation to planning. Azets will also look to be more explicit regarding Best Value recommendations within future reports.

In discussion the following matters were raised:

- Members agreed the paper highlighted a robust process had taken place.
- Members questioned whether the Organisational Learning report would be aligned with any future staff surveys, and heard engagement with Police Scotland to determine timings will commence once the plan is approved. Audit timings would then be reported to the May Committee. GDevlin confirmed planning for the future year had commenced earlier which would ensure there would not be a backlog of reporting at the end of the calendar year.
- Members noted the inclusion of two Change Management reports and heard both were high risk projects within the organisation therefore it was important to have focus on that area.
- The Chair emphasised the requirement to ensure Forensic Services are covered within audits, where applicable.
- With regard to the inclusion of other projects, the Chair requested consideration be given to preparedness across Forensic Services and Police Scotland for Biometrics Commissioners Code.
- DCOPage confirmed he was content with engagement undertaken and the plan presented.
- Gillian Woolman agreed the paper presented a robust process and noted the new external audit team during 2022/23 would place reliance on the work of Internal Audit. Pauline Gillen added the timing of the Overtime and Allowances report aided the work of External Auditors

The Committee **RESOLVED** to:

- **NOTE** the report and **RECOMMEND** to the Authority for approval.

6. INFORMATION MANAGEMENT STRATEGY

Members considered the paper which provided Members with an overview of the SPA's information management strategy including the action plan for delivering the strategy. JMcNellis highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members noted the absence of an equivalent Police Scotland plan and heard Police Scotland have embedded a large Information Management team so in effect SPA are a little behind. Police Scotland has helped to support SPA work by sharing knowledge.
- Members sought clarity on SPA, Police Scotland and Forensic Services roles within the transformation processes, as referenced in appendix A. JMcNellis explained SPA expertise is within data security and data transfer, with Forensic Services providing a huge amount of experience on how its data is used and processed. However, reliance is on Police Scotland for ICT work.
- Referring to the RACI matrix within appendix B, the Chair noted that as DESC is envisaged, if there were to be novation then SPA would be accountable.
- Members were assured the reference to audit programme was based on internal SPA work and not Internal Audit work. JMcNellis suggested, and it was agreed, a change in terminology be made to provide clarity.

The Committee **RESOLVED** to:

- **NOTE** the report.

7. AUDIT, RISK AND ASSURANCE COMMITTEE WORK PLAN

The Committee Chair referred attendees to the work plan, and highlighted the Committee would now undertake a bi-annual consideration of transformation change. Discussions had taken place on the proposal with

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HMICS who were supportive that the Committee maintain an overview, with relevant Committees looking at projects and topics in more detail.

Members welcomed intended future attendance by DCC Taylor as co-Chair of the Change board and with specific portfolio responsibilities.

The Committee **RESOLVED** to:

- **NOTE** the report.

end

DRAFT