



Audit, Risk and Assurance Committee

17 January 2023

Minutes of the Audit, Risk and Assurance Committee held on Thursday 3 November 2022 via MS Teams

Board Members present:	Mary Pitcaithly (Committee Chair) Paul Edie (Committee Member) Katharina Kasper (Committee Member) Grant Macrae (Committee Member)
Board Member apologies:	Catriona Stewart
In attendance:	<u>Police Scotland</u> David Page, Deputy Chief Officer Assistant Chief Constable Alan Speirs Alastair Corfield, Financial Controller Donna Adam, Audit Manager Transformation Charlotte Hope, Enterprise Risk Manager Martin Low, Chief Operating Officer Kerri MacIver, Head of Portfolio Management (Item 2.4 - 5) Kirsty-Louise Campbell, Head of Strategy and Innovation <u>Scottish Police Authority</u> Lynn Brown, Chief Executive Officer John McNellis, Head of Finance, Audit and Risk Graham Stickle, Audit and Risk Lead Scott Ross, Head of Change and Operational Scrutiny <u>Grant Thornton</u>

	<p>Joanne Brown, Partner (Items 1-3)</p> <p><u>Azets</u> Paul Kelly, Director – Business Technology and Consulting</p> <p><u>Forensic Services</u> Craig Donnachie, Head of Quality</p> <p><u>HMICS</u> Alan Wright</p> <p><u>SPA Secretariat</u> Karen Vallance, Governance Support Officer</p>
--	--

1. WELCOME AND STANDING ITEMS

The Committee Chair opened the meeting and welcomed all attendees, confirming Grant Macrae would Chair the meeting should she be disconnected from the call. The Committee Chair welcomed Joanne Brown from Grant Thornton who was attending in her new role as External Auditor.

The Committee **RESOLVED** to:

- **NOTE** apologies from Catriona Stewart;
- **NOTE** no declarations of interest;
- **ADOPT** the Minute of the 14 July 2022 meeting;
- **NOTE** the action log;
- **AGREE** that, in accordance with paragraph 20 of the SPA Standing Orders, the Committee would consider items 6-8 in private for the reasons set out on the agenda.

2. AUDIT AND IMPROVEMENT PROCESS

2.1 INTERNAL AUDIT UPDATE

Members considered the report which provided an update on progress against the Annual Internal Audit Plan and summary of management progress in completing management actions arising from internal audit reports. John McNellis (JMcNellis) advised of a number of changes to the Internal Audit plan: Organisational Learning report will be reported in January 2023. The DESC audit has been pushed to Quarter 4 to avoid the

DESC pilot and to counter, the Police Scotland compliance audit has been brought forward.

The Committee **RESOLVED** to:

- **NOTE** the report

2.2 POLICE SCOTLAND AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER Q2

Members considered the report which provided an update of current open recommendations from all audit and improvement activity. ACC Alan Speirs (ACCSpeirs) introduced the report and Donna Adam highlighted a number of key points as detailed within the report. 20 closures confirmed, another 16 confirmed since report written.

In discussion the following matters were raised:

- Members sought rationale for the delay in progress against Hate crime recommendation. DAdam advised a training review has been undertaken and adjustments have been made. A decision was taken to adjust timescales due to some residue work required in terms of future training. HMICS have been kept informed and are satisfied with progress.
- Members sought further information on recommendations that were raised in 2017/18 and 2018/19. DAdam advised that the recommendation from 2017/18 related to providing an integrated records management system for undercover policing. Delays had been caused by the original product not being suitable during testing. A new product has been tested and will go live in December 2022. The recommendation from 2018/19 is in relation to events policing and dependent on demand information to help events policing plan and understand resourcing requirements. The Demand and Productivity Unit is relatively new and work is currently in the trial phase.
- Members commended the format and presentation of the report.

The Committee **RESOLVED** to:

- **NOTE** the report

2.3 SPA AUDIT AND IMPROVEMENT RECOMMENDATIONS UPDATE

Members considered the report which provided an update on progress against the SPA business plan (2022/23); open recommendations from all SPA corporate audit and inspection activity; and progress on delivery of recommendations from the Forensic Services data security audit.

JMcNellis highlighted a number of key points as detailed within the report. In addition to the report JMcNellis advised the following:

- ICVS actions were both now complete.
- Mental health governance and demand work was presented to the Policing Performance Committee in October 2022 and a mental health in policing roundtable event has been scheduled to take place in December 2022.
- Work has been undertaken to establish what finance training needs are required for Board Members and work continues to identify training options.
- A target for signing the Section 83 document is the end of November 2022. SPA have signed it and are awaiting final sign off from Deputy Chief Officer David Page.

The Committee **RESOLVED** to:

- **NOTE** the report

2.4 INTERIM PROGRESS REPORT: STRATEGIC PLANNING AUDIT

Members considered the report which provided an update on progress to implement recommendations made in the strategic planning audit. Kirsty-Louise Campbell (KLCampbell) highlighted a number of key points as detailed within the report.

In discussion the following matters were raised:

- Members were provided more detail on the full strategic planning approach hearing that work is undertaken to develop strategies in terms of developing evidence, engagement and how the plan will be implemented. Implementation plan are developed to ensure there is clarity on key areas such as funding, resources and ownership.
- Members were assured that all enabling strategies are presented to the Authority.
- Members sought assurance that Internal Audit were content with progress thus far. Paul Kelly (PKelly) confirmed he would raise with Elizabeth Young to confirm whether there were any issues.

The Committee **RESOLVED** to:

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

Elizabeth Young to confirm whether Internal Audit are content with progress.

20221103-AUD-001

3. INTERNAL AUDIT REPORTING

3.1 INTERNAL AUDIT REPORTS

Members considered one new internal audit report on business continuity for Forensic Services. JMcNellis highlighted a number of key points and the recommendations as detailed within the report.

In discussion the following matters were raised:

- PKelly advised that Forensic Services had a separate report as it had own approach to Business Continuity although it does rely on Police Scotland digital and ICT provision. The disaster recovery recommendation mirrors recommendations raised for SPA and Police Scotland and key issues mirror issues raised within the Police Scotland report.
- Craig Donnachie confirmed Forensic Services welcomed the report and confirmed changes have been implemented and align with ISO17025. Procedures and policies will be amended as required and Forensic Services will take on board any good practice from across the organisation.
- Members were assured that work relating to digital division will be completed by the agreed date.
- CDonnachie confirmed most changes have already been implemented therefore was confident all changes will be put in place by agreed dates.
- Members raised concern on the lack of an IT disaster recovery plan but heard work was progressing to have plans in place for primarily control systems. This exercise will also identify both interdependencies and gaps.

The Committee **RESOLVED** to:

- **NOTE** the report.

4. ASSURANCE REPORTING

4.1 SPA OVERSIGHT OF CHANGE

Members considered the report which provided an update on the Authority's oversight of content, progress, pace and impact of transformational change in policing and how it is improving service to the public. Lynn Brown introduced the item, highlighting change in Police Scotland is complex and of scale. Reporting to the Committee was to ensure Members are assured they have oversight of progress. Scott Ross (SRoss) highlighted a number of key points as detailed within the report.

In discussion the following matters were raised:

- Members noted they were encouraged by the approach and felt it was a robust way forward.
- Members suggested the outcome of the prioritisation exercise be factored in to future risks at strategic and operational level. SRoss responded that this would be part of future reporting.

The Committee **RESOLVED** to:

- **NOTE** the report.

4.2 POLICE SCOTLAND CHANGE PORTFOLIO UPDATE

Members considered the report which provided a summary of the Police Scotland Change Portfolio. Kerri MacIver highlighted a number of key points as detailed within the report.

In discussion the following matters were raised:

- Members agreed the Organisational Absorbability Dashboard was helpful to see and were informed that it provided the organisation a picture of where additional change can be implemented or whether any areas require to be slowed down.
- Members noted that the vast majority of change is internally led but questioned whether partners can help with absorbability at divisional level. Members' were informed divisional demands, including partnership working, is taken into account when looking at absorbability.
- Member queried whether delays in the change portfolio would impact operational services and were informed there be no significant delay in the current financial year.
- Regarding the risk relating to day rate contractors, Members were informed there had been an improvement as recruitment of fixed or

permanent contracts has improved. Members were assured Police Scotland were very astute to that risk and have looked at every option of recruitment before day rates.

- Members sought further information on mitigation on risks outside tolerance and heard the out of tolerance risk relating to financial had been improved by contractor improvements. Risks however remained around spending review and the new Accountable Officer Template. Members were informed that the Scottish Government have introduced an Accountable Officer template across the public sector where anything over £1million requires approval from Scottish Government, even if within budget. SPA progress approvals quickly however there are delays at Scottish Government level. Members were assured SPA and Police Scotland continue to raise the issue at various levels and Justice Division were aware. Members raised concern on the impact the delays would have.
- With regard to prioritisation, Members were advised focus this financial year would be financial availability and resource capacity. The following financial year will focus on ensuring organisational priorities are reflected. Discussions with the Senior Executive team will take place as there will be a requirement to drive efficiencies which will mean areas within the current portfolio will either be slowed down or paused.

The Committee **RESOLVED** to:

- **NOTE** the report

5. 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