



**LINCOLNSHIRE POLICE AUTHORITY
AUDIT, RISK AND GOVERNANCE COMMITTEE
15 DECEMBER 2010
2.00PM – 5.00PM**

PRESENT:

Members: Dr B Wookey (Chairman), Mr P Przyszlak (Vice-Chairman), Mrs A Crowe JP, Mr R Davies, Mr R Sellars

Apologies: Mr N Cooper, Mr F Mann JP, Mr R Palmer

Secretariat: Ms J Flint (Treasurer), Mr H Hunt (Deputy Chief Executive), Mr J King (Committee and Administration Officer), Miss G Mason (Research and Performance Officer)

Force Officers: Mr R Bannister (Assistant Chief Constable – Protective Services), Mr P Steed (Assistant Chief Officer), Mr A Tomlinson (Head of Finance), Mr I McCorrison (Head of ICT), Mr S Quint (Accountant), Mr J Partridge (Planning, Innovation and Review Manager), T/Inspector G Emmott (ASB Challenge Project Manager), Miss K Judge (Service Improvement Manager), Miss P Harris (Policy and Strategic Support Officer), Mrs S Cunningham (Business Services Manager), Mrs C Jackson (Support Officer)

Also in Attendance: Mr C Underwood-Frost (Member), Mr M Riley (RSM Tenon - Internal Audit), Mr C Malakouna (Deloitte)

41/10. DECLARATIONS OF PERSONAL AND/OR PREJUDICIAL INTERESTS

None.

42/10. MINUTES – 23 SEPTEMBER 2010

Resolved:	Responsible Officer:
1. That the minutes of the meeting held on the 23 September 2010 be taken as read and signed by the Chairman as a correct record.	-

43/10. ACTION SUMMARY

Resolved:	Responsible Officer:
1. That the Action Summary be noted.	-

44/10. POLICE AUTHORITY RISK REGISTERS

The Committee reviewed the critical and non critical risks currently sponsored by the Chairman. Members agreed to remove non critical risk NC02 from the Register as the level of risk was considered to be extremely low.

Resolved: That 1. the report be noted; 2. non critical risk NC02 be removed from the Register.	Responsible Officer: - RPO
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45/10. COMMITTEE WORK PLAN

The Treasurer and the Assistant Chief Officer advised that work was progressing to finalise the new draft Scheme of Delegation.

Resolved: 1. That progress with the Work Plan be noted.	Responsible Officer: -
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46/10. LINCOLNSHIRE AUDIT COMMITTEE NETWORK FORUM

Resolved: 1. That the oral update be noted.	Responsible Officer: -
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47/10. IMPLEMENTATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) QUARTERLY MONITORING UPDATE

The Committee received a detailed update on the implementation of IFRS by the Authority's advisors Deloitte. It was anticipated that – subject to any late surprises – the 2010/2011 Accounts would be reported under IFRS in line with the required timetable. The approach being taken would also ensure that knowledge of IFRS was firmly embedded within the Finance department. Members were advised that guidance notes in respect of the 2010 Code of Practice were due to be published by CIPFA on 22 December and would necessitate working papers being reviewed and updated as appropriate.

It was envisaged that the Committee would be called upon to review draft IFRS accounting policies that would apply to the Authority as there would be areas where Members would need to make decisions, such as having discretion to set de minimis levels in a number of policy areas.

Resolved:	Responsible Officer:
1. That the key issues identified and the progress made with the IFRS implementation project be noted.	-

48/10. IMPLEMENTATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Head of Finance provided a detailed briefing on the work undertaken against the IFRS Implementation Plan and development of individual Accounting Policies for inclusion in the 2010/2011 Statement of Accounts. Members were advised that the Plan had been expanded and refined in recent weeks to include key milestones and the involvement of the Authority's external advisors, Deloitte. Further guidance in support of the Code of Practice was expected shortly and would be reflected in the process.

The Treasurer explained that the Committee was being asked to consider setting de minimis levels within a number of policy areas and to agree the draft IFRS Accounting Policies set out in the report for use in the implementation of IFRS. These would in turn be reviewed by the External Auditor. It was emphasised that decisions made by the Committee would be subject to review as further information became available. Further versions of the Accounting Policies and Statement of Accounts would be prepared for consideration at the next Committee meeting.

Members queried whether the Code of Practice and subsequent guidance were likely to materially alter the draft Accounts. The Head of Finance was confident that the Accounts would not require any significant alteration, however, it was possible that decisions might be required in order to progress the implementation of the IFRS standards. It was agreed that the Chairman, Vice Chairman and Treasurer would be delegated authority to examine the Code and guidance and to respond appropriately, including calling a special meeting of the Committee if it was deemed necessary.

Resolved:	Responsible Officer:
That	
1. key issues identified and the progress made with the IFRS implementation project be noted;	-
2. the Plan be noted;	-
3. the draft IFRS Accounting Policies be approved for use in the implementation of IFRS, subject to further reviews and consideration by the Committee as information becomes available;	-
4. proposals for de minimis levels and policies be approved for use in the implementation of IFRS, subject to further reviews and consideration by the Committee as information becomes available;	-
5. information requirements under Related Party Disclosures be noted;	-

6. the draft skeleton accounts for 2008/09 and 2009/10 be approved, subject to further review and consideration by the Committee;	-
7. the Chairman, Vice Chairman and Treasurer be delegated authority to examine the Code of Practice and supplementary guidance and to respond appropriately, including calling a special meeting of the Committee if necessary.	-

49/10. HMIC INSPECTION OF ANTISOCIAL BEHAVIOUR

T/Inspector Emmott briefed Members on the outcome of the HMIC inspection of anti social behaviour (ASB) and on progress made by the Force in addressing the issues raised following the inspection. The Force was confident that progress made would result in real improvements and had accepted an invitation to be evaluated on ASB by a joint ACPO/HMIC/Home Office team.

The Chairman queried whether the sharing of ASB information between response officers and neighbourhood policing teams would be affected by restructuring under the Transformational Change Programme. The Assistant Chief Constable (Protective Services) assured Members that his officers would be working to ensure that information sharing arrangements remained unaffected.

In noting the report, the Chairman joined the Assistant Chief Constable (Protective Services) in thanking T/Inspector Emmott for his leadership of the ASB project.

Resolved:	Responsible Officer:
1. That the report be noted.	-

50/10. PERFORMANCE MANAGEMENT AND SCRUTINY OF LINCOLNSHIRE POLICE – REFINING OUR APPROACH

The Chairman presented a revised approach to performance management and scrutiny for consideration. Members were advised that the new assurance framework and methodology had previously been endorsed by the Strategic Planning Committee.

Members expressed some concern as to whether the proposed role of Strategic Planning Committee in co-ordinating the agenda for scrutiny and performance management would undermine the Committee. The Chairman accepted that this was a “grey area” and suggested that the respective roles of the two committees under the new assurance framework would benefit from further clarification.

The Research and Performance Officer invited Members to consider whether there were any gaps that could be included within the existing list of “Top Issues”. It was emphasised that whilst the new framework would cut across all Committees, any top issues put forward had to be directly linked to the priorities outlined in the Policing Plan. The Treasurer explained that the list of top issues would be continually refreshed as the Policing Plan and

objectives were finalised. However, a mechanism for refreshing the list of top issues had still to be determined.

The Committee was also invited to consider appointing a Scrutiny Panel for assessing “Volunteering”, which had been included in the 2010/11 Scrutiny Programme. It was further agreed that the proposed scrutiny of “Sickness Absence” would be addressed by circulating copies of the report recently produced by the HR Committee’s Sickness Task and Finish Group.

Resolved:	Responsible Officer:
<p>That</p> <ol style="list-style-type: none"> 1. the proposal to implement an ‘assurance framework’ model to performance management and scrutiny work, as set out in the report, be endorsed; 2. an Scrutiny Panel to assess “Volunteering” be appointed comprising 2 members of the Committee and 1 non member; 3. in seeking volunteers for the Assurance Panel, Members be provided with a summary of the new assurance framework methodology; 4. members of the Committee be circulated with a copy of the Sickness Task and Finish Group report. 	<p>-</p> <p>RPO</p> <p>RPO</p> <p>RPO</p>

51/10. ACCESS TO POLICING SCRUTINY – FOLLOW UP

The Vice Chairman presented a third update report following the formal review of progress and outcomes relating to the Access to Policing “Follow Up” scrutiny. Members were invited to determine the Committee’s level of assurance with regards to Access to Policing.

Members queried whether restructuring under the Transformational Change Programme would have an adverse impact on the future delivery of policing services. The Planning, Innovation and Review Manager suggested that whilst there might be changes to way services were delivered, it was hoped that this would be to the benefit of local communities.

Resolved:	Responsible Officer:
<p>That</p> <ol style="list-style-type: none"> 1. the update be noted; 2. the “Satisfactory” level of assurance received from the scrutiny panel with regards to Access to Policing, be endorsed; 3. the remaining 3 recommendations be discharged. 	<p>-</p> <p>-</p> <p>-</p>

52/10. FORCE COMMUNICATION AND CONTROL CENTRE (FCCC) – FOLLOW UP

The Research and Performance Officer provided an update following the formal review of progress and outcomes relating to the scrutiny and invited Members to determine the Committee's level of assurance with regards to the FCCC.

The Assistant Chief Constable (Protective Services) extended an invitation for a Member to sit on the Contact Management Centre (CMC) reference group. It was agreed that the Research and Performance Officer would seek a suitable volunteer for the appointment.

Resolved: That <ol style="list-style-type: none">1. the report be noted;2. the "Satisfactory" level of assurance received from the scrutiny panel with regards to FCCC, be endorsed;3. a volunteer be sought to represent the Authority on the Force CMC reference group.	Responsible Officer: - - RPO
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53/10. BUSINESS CONTINUITY - REVIEW

The Deputy Chief Executive advised that the meeting of the Panel to review progress had been cancelled due to inclement weather. The meeting had been rearranged for 17 January 2011 and would report its findings in March.

Resolved: That <ol style="list-style-type: none">1. the report be noted;2. a determination on the level of assurance with regard to the recommendations made in the Business Continuity scrutiny be deferred.	Responsible Officer: - RPO
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54/10. BURGLARY DWELLING SCRUTINY - UPDATE

The Chairman advised that the meeting of the Panel to review progress had been cancelled due to inclement weather. The meeting had been rearranged for January 2011 and would report its findings in March.

<p>Resolved:</p> <p>That</p> <ol style="list-style-type: none"> 1. the report be noted; 2. a determination on the level of assurance with regard to the recommendations made in the Burglary Dwelling scrutiny be deferred. 	<p>Responsible Officer:</p> <p>- RPO</p>
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55/10. INTERNAL AUDIT UPDATE

It was confirmed that all outstanding reports had been finalised from the 2009/10 audit programme and that the Annual Report had been updated accordingly.

<p>Resolved:</p> <ol style="list-style-type: none"> 1. That the Internal Audit Annual Report 2009/2010 at Appendix A be noted. 	<p>Responsible Officer:</p> <p>-</p>
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56/10. INTERNAL AUDIT 2010/2011 - UPDATE

<p>Resolved:</p> <ol style="list-style-type: none"> 1. That the Internal Audit Progress Report 2010/11 at Appendix A be noted. 	<p>Responsible Officer:</p> <p>-</p>
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57/10. INTERNAL AUDIT REPORTS – IMPLEMENTATION PROGRESS

<p>Resolved:</p> <p><u>Fraud Management Review</u></p> <ol style="list-style-type: none"> 1. (3.2) that progress be reviewed on 30/04/11 <p><u>Delegated Purchasing & Purchase Order processing</u></p> <ol style="list-style-type: none"> 1. (3.3) that the action is completed <p><u>Insurance Review</u></p> <ol style="list-style-type: none"> 1. (3.1) that the action is completed 2. (3.2) that the action is completed <p><u>Agency Staffing</u></p> <ol style="list-style-type: none"> 1. (3.1) that progress is reviewed on 31/01/11 2. (3.2) that progress is reviewed on 31/01/11 	<p>Responsible Officer:</p> <p>DoFA</p>
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<p><u>Management of Financial Resources (07.04.10)</u></p> <ol style="list-style-type: none"> 1. (3.1) that progress is reviewed on 31/03/11 2. (3.3) that progress is reviewed on 31/03/11 	
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58/10. EXCLUSION OF PRESS AND PUBLIC

<p>Resolved:</p> <p>That the press and public be excluded from the meeting on the grounds that the following items involved the disclosure or likely disclosure of exempt information as detailed in paragraph 7 of schedule 12A of the Local Government Act 1972 (as amended).</p>	<p>Responsible Officer:</p> <p>-</p>
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59/10. INTERNAL AUDIT REPORTS – IMPLEMENTATION PROGRESS (CONT)

Members noted that in relation to IT Disaster Recovery it had been agreed that the Business Continuity Scrutiny Panel would consider progress with implementing recommendations.

<p>Resolved:</p> <p><u>IT Disaster Recovery (16.11.09)</u></p> <ol style="list-style-type: none"> 1. (3.1) that the action be discharged 2. (3.2) that the action be discharged 3. (3.3) that the action be discharged <p><u>IT Data Security (16.11.09)</u></p> <ol style="list-style-type: none"> 1. (3.2) that progress is reviewed on 31/03/11 	<p>Responsible Officer:</p> <p>DoFA</p>
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60/10. FORCE RISK REGISTER UPDATE

The Planning, Innovation and Review Manager updated the Committee on developments within the Force’s risk management processes. The Chairman welcomed progress that had been made in developing the Force risk registers, and advised that whilst the risk appetite was slightly different, both the Authority and Force strategic risk registers were closely aligned.

The Treasurer referred to strategic risk ST05 regarding the failure to receive current levels of funding and questioned why the recommended action was to “Tolerate” the risk. Assistant Chief Constable (Protective Services) suggested that it was a presentational issue and that “Treat” was more suitable than “Tolerate”. The Assistant Chief Officer considered that some of the terminology used in the registers might need to be revisited to more accurately reflect the actions being taken. The Treasurer further suggested that the

level of risk for ST05 be reduced to reflect the Force Transformational Change Programme, which was seeking to deliver improved services for less money.

Resolved:	Responsible Officer:
That 1. the report be noted; 2. consideration be given to reducing the level of risk for ST05 to reflect the anticipated outcomes from the Force Transformational Change Programme; 3. consideration be given to changing some of the terminology within the Risk Register to more accurately reflect action being taken to address the risks detailed therein.	- PIRM PIRM

Chairman