

Devon and Cornwall Police Authority

MINUTES

A meeting of the **Corporate Governance Committee** was held on Tuesday 14th September 2010 in the Conference Room, Devon and Cornwall Police Authority, Endeavour House, Woodwater Park, Exeter, starting at 10:30hrs.

Present:

Chairman Ms J Norton

Vice Chairman Mrs L Williams

Members: Mr J Hart, Mrs J J Owen Mrs L Price, Lady Stanhope and Ms J Zito

Officers in attendance:

Police Authority

Ms S Howl (Chief Executive) Miss J Norris (Assistant Chief Executive), Mr D Walton (Treasurer), Mr E Wardle (Head of Audit).

Constabulary:

Mr T Burton (Organisational Learning & Risk Manager), Mr D Boffin (Change Transition Manager) - part, Ms S Goscomb (Director of Finance and Resources),

Audit Commission:

Mr M Bartlett (Audit Manager)

Mr A Williams (District Auditor)

CG/311 Appointment of Chairman

RESOLVED that Ms Jo Norton be appointed as Chairman

CG/312 Appointment of Vice-Chairman

RESOLVED that Mrs Linda Williams be appointed as Vice-Chairman

CG/313 Chairman's Announcements

The Chairman thanked everyone for appointing her for a further term of office and welcomed Mr Duncan Walton the Authority's Treasurer to his first meeting of the Corporate Governance Committee. At the Chairman's request everyone present introduced themselves.

CG/314 Apologies for Absence

There were no apologies for absence.

CG/315 Declarations of Interest

No declarations of interest were made in respect of any item on the agenda.

CG/316 Minutes

RESOLVED that the minutes of the meeting held on 8 June 2010 be confirmed as a correct record subject to the typographical errors being corrected.

CG/317 Audit Commission – Audit Progress Summary

This report provided information about current Audit Commission work pertinent to the Authority and highlighted recent Audit Commission reports and publications.

Issues discussed during consideration of this agenda item included:

- Audit of the Whole of Government Accounts. This is a statutory requirement where the accounts of all public sector organisations are submitted electronically to a central point where consistency is checked.
- The Future of the Audit Commission. Commissioners have been appointed until December 2012 and it is expected that work on financial years up to and including 2011/12 will be done by the Audit Commission; work for 2012/13 will be subject to the new arrangements. There is no detailed information on the structure of the new regime but it is expected there will be an overall audit framework within which organisations and their auditors will work. The Audit Commission is currently responsible for the audit of all public organisations and approx 30% of the work is undertaken by private companies on behalf of the Audit Commission.
- The HMIC Value For Money report is currently at draft stage

RESOLVED to note the report.

CG/318 Annual Governance Letter

The District Auditor issues an annual governance letter regarding the way in which the Authority conducts its business. It was stated that subject to the satisfactory clearance of any outstanding matters the District Auditor intended to issue an audit report including an unqualified opinion on the financial statements, this was very positive news for the Authority.

Issues discussed during consideration of this agenda item included:

- Errors below a value of £60,000 are not reported
- The changes required to the financial statements are of a technical nature and do not affect the overall final figures
- The learning opportunities that result from the audit of accounts, particularly those relating to technical interpretation and knowledge
- The role of the Audit Commission is to provide an independent check that the accounting procedures are correct
- The implementation of the International Financial Reporting Standard will provide ongoing assurance regarding accounting practices
- An explanation of the term “impairment” (as used on page 9 Table 1 of the report) which in this context means a change of value - generally downwards.

RESOLVED to recommend to the Authority that the district Auditor’s Annual governance Report is accepted.

CG/319 Audit Fee 2010/11

The District Auditor updated the Committee regarding the 2010/11 audit fee. Since the letter had been sent to the Authority detailing the 2010/11 fee there had been substantial changes to the Audit Commission’s work programme; it was anticipated that the audit fee would be adjusted accordingly and further information would be available later in September 2010.

RESOLVED

- (i) To note the report
- (ii) That the District Auditor provide an update at the next meeting of the Committee

CG/320 Constitution Review

The Authority's Constitution states "The Authority's Corporate Governance Committee will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect." Working Groups (1 relating to committee structure and 1 to the other areas of the Constitution) have been considering what changes are required to the continued effectiveness of the Authority. A revised draft Constitution and revised draft committee terms of reference were presented to the Committee for consideration of a recommendation to the Full Authority.

Issues discussed during consideration of this agenda item included:

- The work relating to Professional Standards is important in terms of increasing public confidence in policing. It is important that the size of the Committee is sufficient to enable it to work effectively
- The proposed Strategic Planning and Co-ordination Committee needs to have good communication with all Members about its activities
- The composition of the Strategic Planning and Co-ordination Committee
- Any structure needs to be flexible in order to adapt to a changing legislative, working, and decision making environment
- The Constitution (Articles) and Terms of Reference form only part of the way the Authority organises itself and articulates its principles and responsibilities. Work is ongoing to review delegated powers, procedure rules and to develop an operating framework.
- The Constitution and the Committee Terms of Reference and Delegated Powers to Committees need to be complementary
- The importance of the cross cutting themes and the role of the proposed networks
- The Constitution should express clearly the overarching role of the Police Authority.

Recommended to the Police Authority

- (i) That, subject to the suggestions below being considered by the Authority, the Constitution (articles) and the Terms of Reference and Delegated Powers be approved**
- **In the explanation section there should be an additional information explaining the role of the Police Authority**
 - **In Article 5.3.1 the information should complement that provided in the Terms of Reference and Delegated Powers document**
 - **the pictorial representation of the Committee structure should include (A) the addition of "assurance" to the Corporate Governance Committee and (B) the inclusion of ICT in the scope of the Resources Committee**
 - **the size of the Professional Standards and Complaints Monitoring Committee should be increased from the proposed 5 Members**
 - **there should be a review of the Terms of Reference and Delegated Powers at an appropriate time to identify any gaps and ensure that all items identified on the Authority's new risk register are within the remit of a Committee**
- (ii) that the new Constitution (Articles) is effective from 11 December 2010 and the new committee structure and the revised terms of reference and delegated powers are implemented with effect from the same date.**

CG/321 Update on the Plan to adopt International Financial Reporting Standards

This was a progress report on the implementation plan for adoption of International Financial Reporting Standards.

Issues discussed during consideration of this agenda item included:

- There is a 3 part plan - data collection
 - Producing the skeleton accounts and the opening balance sheet in the IRFS format
 - Producing IFRS accounts
- capability to implement the new standards
- capacity to implement the new standards
- timescales

CG/322 Annual Assurance Statement (In Year Monitoring and Compilation)

To consider ways in which assurance activity and outcomes can be monitored throughout the year.

Issues discussed during consideration of this agenda item included:

- the role of the Corporate Governance Committee in assurance
- devising an electronic method of collecting assurance information and data
- the links between assurance and audit activity
- Committee members are welcome to spend time with the Organisational Learning & Risk Manager to learn more about the various assurance processes.

RESOLVED

- (i) to note the report
- (ii) that an update be provided to the next meeting of the committee

CG/323 Indemnity Policy

The Authority's policy regarding indemnity has been reviewed in order to make sure that appropriate cover can be provided to Members working within the regional collaboration framework and also to the various independent members appointed by the Authority to serve on the Standards Committee and on misconduct panels. The Committee was asked to consider the paper and make a recommendation to the Authority.

Issues discussed during consideration of this agenda item included:

- the possibility of people signing an annual declaration regarding possible indemnity issues

Recommended to the Police Authority that subject to section 4 of the indemnity policy being amended to read "The indemnity provided is without prejudice to the right of the Police Authority to take appropriate action against an employee, Member, officer or volunteer in respect of any neglect, act, error or omission" the indemnity Policy be approved and implemented with immediate effect.

CG/324 Authority Risk Register

There was an oral update on the procurement of a risk management computer system.

Issues discussed during consideration of this item included:

- The rationale for purchasing new custom software
- Subject to the resolution of some technical issues it was anticipated an order would be placed resulting the product being available to the Authority at the beginning of October 2010.
- additional technical audit support has been secured to help populate the new system
- the role of audit in risk management

- building a new risk register to reflect the Authority's new strategic plan and committee structure
- the need to regularly review and update the risk register
- the risk register driving and focussing the work of the committees

AGREED to note the report

CG/325 Force Risk Register September 2010

Devon and Cornwall Police produce a corporate risk register on a quarterly basis; i.e. the 1st of March, June, September & December. The timing of the Force process means that the production of the register is out of step with the meetings of the Corporate Governance Committee, leading to the fact that registers are invariably 3 months out of date when they are submitted to the Committee. In order to address this anomaly it was proposed that future editions of the registers will be circulated to members via a 'Members Briefing' following quality assurance and approval by Chief Officers. Specific questions could then be addressed through subsequent meetings of the Corporate Governance Committee.

Issues discussed during consideration of this agenda item included:

- the importance of considering the Force Risk Register alongside the Police Authority Risk Register
- the timing of the Force meetings relating to risk and performance

RESOLVED

- that the Chief Executive and the Chair of Corporate Governance Committee discuss the scheduling of the Force meetings and the Corporate Governance committee to see if they can be better aligned regarding risk management.
- That a copy of the Force risk register agreed in September 2010 be circulated to members of the Corporate Governance Committee as soon as possible.

CG/326 Consideration to Excluding the Press and Public

Resolved that the Agenda item detailed in the table below be considered as a closed item.

Agenda item No	Report Title	Relevant Act	Relevant section
18	ICT Service Management Department Update Report for ICT Service Management Department Business Continuity Planning	Local Government act 1972 as amended by the Local Government (Access to Information Act 1985)	Schedule 12A Paragraph 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

CG/327 ICT Service Management – Business Continuity Planning Update

This report, provided at the request of Members, provided information about work being carried out in the context of Business Continuity and IT Service Continuity Management Plans.

Issues discussed during consideration of this agenda item included:

- Work to implement action plans is on target
- Back up for some processes which normally use a computer may be by means of a manual system

- Risk types and scenarios when business continuity plans may become operational
- Balance between costs and flawless back-up systems
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RESOLVED to note the report

CG/328 Re-admission of the Press and Public

RESOLVED to readmit the press and public to the meeting.

CG/329 Briefing Sheets

The briefing sheet detailed below, which are pertinent to the Corporate Governance Committee, had been issued since the last Committee meeting.

Number	Title	Date
15	Internal Audit Activity Report	Week commencing 6 September

The meeting closed at 13:15hrs