

# POLICE & CRIME COMMISSIONER FOR LEICESTERSHIRE JOINT AUDIT, RISK & ASSURANCE PANEL

PAPER MARKED

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Report of	OFFICE OF THE POLICE AND CRIME COMMISSIONER AND OFFICE OF THE CHIEF CONSTABLE
Subject	DRAFT ANNUAL REPORT OF JARAP 2021-2022
Date	THURSDAY 25 AUGUST 2022
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## **Purpose of Report**

1. This report outlines the Draft Annual Report of JARAP 2021/22. The purpose of the report is to inform members of the panel and the wider audience of the work that has been undertaken over the last financial year.

## **Recommendation**

3. The Panel is recommended to note the contents of the report.

## **Background**

4. None

## **Implications**

Financial:	There are no financial implications associated with this report
Legal:	There are no legal implications associated with this report.
Equality Impact Assessment:	There are no Equality implications associated with this report.
Risks and Impact:	There are no separate Risk implications associated with this report. Risk has been considered by the JARAP under the Terms of Reference and this is covered within the report.
Link to Police and Crime Plan:	The Annual Report is in line with the Terms of Reference of the JARAP which is a key governance and assurance mechanism for the delivery of the Police and Crime Plan.

**List of Attachments / Appendices**

Annual report of JARAP 2021/22

**Background Papers**

None

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**Annual Report of Joint Audit Risk and Assurance Panel  
2021-2022**

## **CHAIR'S REPORT TO THE JOINT AUDIT RISK AND ASSURANCE PANEL FOR THE YEAR ENDED 2021-2022**

### **Foreword by the Chair**

The 2021-22 period has been an incredibly challenging, turbulent and emotional one. I think it is fair to say that it has been the toughest year of JARAP since the panel was formed and certainly within my tenure as Chair.

I must begin this report by talking about Simon Cole. Simon was a hardworking, thoughtful and much-loved Chief Constable who was a fantastic servant to the people of Leicestershire during his time at the force. Towards the end of this report period Simon retired and then tragically passed away very soon afterwards. All JARAP members, past and present, wish to put on record our thanks to Simon for his service and pass on our condolences to his family.

During this year the COVID-19 pandemic continued to have a huge effect on policing and impact on demand and the work of the force. As the country began its exit from lockdown and people received vaccinations at the start of the year things began to improve but towards the end of the year there was another increase in cases.

JARAP work, as with the rest of country, mostly remained online for the year. This is also true of a lot of the supporting work that goes on around meetings.

At the start of year Leicestershire elected a new PCC, Rupert Matthews. The new PCC brought in a new leadership team for his office, strategy and Police and Crime Plan. As a result of this there was a lot of recruitment within the office as a new team and structure was brought into place.

A special mention must be made of Paul Dawkins who for most of the year continued to act as CFO for both the force and the OPCC in order to make sure that both important roles were filled. Thank you, Paul, for stepping into this situation and for all your hard work maintaining two roles that are individually full time, and then some. An exceptional feat of public service and we are very fortunate to have someone with your knowledge, dedication and passion in those posts.

There was also a change in panel membership throughout the year. Long standing and very highly regarded members Leon Dundas and Ian Prince both completed their final terms. Both were incredibly influential in creating such a strong JARAP for Leicestershire and very supportive whilst I have been Chair and I thank them. Ash Bhayat also left during this year after serving one term during which is financial insight was a welcome addition to the panels' skill set.

During our recruitment efforts this year we were very fortunate to receive a very high volume and standard of applications compared to previous years and were delighted to offer JARAP member positions to two very talented and experienced individuals. Wendy Yeadon and Kitesh Patel joined the panel at the very beginning of the year and have added huge insight and value. I am excited to see how they can develop and add value to the panel over their time with us.

Towards the end of the year we were carrying a vacancy for our final member position but I am pleased to say that that has now also been filled.

As a result of so many personal changes in and around JARAP there has been a lot of effort put into onboard and educating new people to the work of JARAP and how we operate. Lots of people have been very helpful with that and we, as the panel, are very grateful for their support. A special mention of thanks must be made to Kira Hughes and Nimisha Padhiar from the OPCC who have done a fantastic job of helping to support our work.

Despite it being such a difficult year the JARAP, in my view, has once again provided the correct level of scrutiny as well as support for the Force and the PCC ensuring that adequate assurances have been provided in a number of areas.

Over the last year I also carried out appraisals for the panel members and used the results to provide development and support for the individual members. The panel have had several briefings on different areas of the Force to be able to understand how different areas function and the impacts of risk on their work.

We have continued to improve the documentation and processes that the Panel use, this has been incredibly valuable and has helped to keep our work and meetings as efficient as possible. I am grateful to officers for their support in this area and commitment to driving performance. I am still very confident that our systems and processes are very strong compared to others in the region and at every meeting we see first hand the benefits this brings to our work.

In particular we have continued to worked to ensure that the papers for the meetings are as concise as possible and an easy document for members of the public to read.

We have introduced some new procedures in relation to how the JARAP engages with and relates to other bodies within the force and OPCC.

Over the year we continued to review our terms of reference to seek to make further improvements to the way the panel operates. I believe strongly in continuous improvement and will review the terms of reference each year to make sure they reflect the way the panel works and incorporates good practice wherever possible.

There has, in my opinion, been the right level of challenge between the Members and the OCC and OPCC to ensure a positive working environment but also more importantly support through a "Critical Friend" focus.

The relationship between the panel, internal and external audit has been exceptional during this period and I feel that all members have a very healthy relationship and engagement that I hope will continue.

I commend this annual report and the work undertaken by all.

*This report covers the activities of the JARAP for the year 2021-2022.*

**Luke Pulford**  
**JARAP Chair**

## **1. Role of the Panel**

- 1.1 This is the eighth annual report of the Joint Audit Risk and Assurance Panel (JARAP) created under the Home Office Financial Code of Practice for Police Services.
- 1.2 The purpose of the JARAP as an independent body is to seek assurance over the adequacy of the following:
  - The risk management and the internal control framework operated by the PCC and Chief Constable.
  - The effectiveness of their respective governance arrangements.
  - The appointment, support and quality of the work of internal and external auditors as they provide assurance on risk management, internal controls and the annual accounts through their work.
  - Financial and non-financial performance to the extent that it affects the PCC and Chief Constable's exposure to risk, weakens the control environment and undermines their ability to provide good value for money.
  - The financial reporting processes.
- 1.3 The full responsibilities of the JARAP are contained within the Terms of Reference.
- 1.4 The JARAP were appointed in April 2013 and became operational during the 2013/14 financial year.

## **2. Panel's Terms of Reference**

- 2.1 The terms of reference of the Panel follow the guidance provided in the Corporate Governance Framework and are reviewed on an annual basis.
- 2.2 The terms of reference were not amended during this period and remained the same throughout the financial year 2021-22. They were regularly reviewed throughout the period and as part of the annual effectiveness review but amendments were not needed.

## **3. Panel Membership and Meetings**

- 3.1 The Panel met four times during the year.
- 3.2 The meetings are open to members of the Public but there was not attendance.
- 3.3 No items were considered in private over the year, therefore maximising public transparency. Agendas, meeting papers and minutes are placed on the OPCC website for the public to view.
- 3.4 The panel has five members. During the year there was a change in membership with two new members joining and 3 members leaving. A vacancy was carried for several months.
- 3.5 Panel member attendance at meetings throughout the year ensured that all meetings were quorate.

- 3.6 Due to there being such a high level of change of personnel throughout the year this report will not list all the meeting attendees individually but they are listed and referenced in the meeting papers available on the OPCC website.
- 3.7 Every meeting was also attended by representatives from Internal Audit (Mazars) and External Audit (Ernst and Young).
- 3.9 Members were recruited to ensure that the JARAP has all the necessary skills and experience to fulfil its terms of reference, in accordance with the job description for JARAP members. The JARAP comprises of members who are independent of the Office of the Police and Crime Commissioner and of the Office of the Chief Constable.

#### **4 How the Panel Discharges its Responsibilities**

- 4.1 The Panel's Terms of Reference drive the Panel's workplan for the year and an Annual Plan was considered in April 2021 which set out all the areas which need to be considered within the Terms of Reference during the Year.
- 4.2 There is a work programme which is updated for each meeting and sets out the areas that are planned to be considered on each of the agenda.
- 4.3 To the workplan, the Panel also added thematic reports or areas where further assurance is required and each meeting there is an item on the agenda to enable further reports to be requested for the next meeting.
- 4.4 Prior to each meeting there is a briefing which provides the panel members with an opportunity to receive a briefing on a particular matter, to meet privately with the internal and external auditors or to be shown around a particular department or departments.
- 4.2 To enable Panel members to be effective, they need to understand the plans, priorities and issues facing the Force and the OPCC. The Terms of Reference provides for members to undertake "deep dives" into thematic areas to ensure assurance and discharge their responsibilities.
- 4.4 To supplement this, members of the Panel attend Force and other public meetings where appropriate to gain an understanding of how the Force and OPCC are delivering the business and how they consider key issues and risks. There is an open invitation for JARAP members to attend certain force and PCC meetings, these include:
  - The Force Change Board
  - The Force Performance Delivery Group
  - The Ethics, Integrity and Complaints Committee
  - The Strategic Organisational Risk Board (SORB)
  - The Police and Crime Panel
  - The Force Health and Safety Committee
- 4.5 Over 2021-22 the Office of the PCC has continued to recruit to the structure of the new PCC. Over the year there have been several new members of staff joining the team as well as staff leaving the team. There have been several vacancies carried through the year and the office has been supported through the use of temporary staff.

## **5 Assessment of the Panel's performance against its Terms of Reference**

5.5 Detailed information regarding the meetings held in 2021-22 is available from the OPCC website with all meeting minutes and papers being available.

5.6 Specifically, the Panel discharged the required responsibilities from the Terms of Reference as follows:

### **Risk Management, Governance and internal control responsibilities**

5.7 The JARAP considered the Strategic Risk Register at every meeting. This included scrutinising and challenging assessments and scores and discussing timeliness of identified actions. The Panel suggested that JARAP meetings be scheduled around other reporting deadlines so the panel received regular updates and as much relevant information as possible. It was also agreed that one member of the JARAP would always attend meetings of the Strategic Organisation Risk Board.

5.8 The JARAP also considered in detail all of the outstanding audit recommendations that had been made over a number of years and the progress made against those recommendations.

5.9 Furthermore, the JARAP were provided with both pre and post audited sets of accounts and the opportunity to review the Statements within them.

### **Internal Audit responsibilities**

5.4 Mazars continued as the OPCC and OCC Internal Auditors for the year, therefore, the Panel were not required to make recommendations in respect of appointment of auditors.

5.5 The Panel received an Internal Audit progress report at each meeting, presented by representatives from Mazars. The Panel were able to challenge and scrutinise the reports.

5.6 The Panel received the Internal Audit Annual Report for 2020-21 and reviewed the Head of Internal Audit's opinion on the reports assessments contained within which had been discussed in detail throughout the year. This report is available within the meeting papers on the OPCC website.

### **External Audit responsibilities**

5.8 Ernst and Young continued as the External Auditors during 2021-22 and Neil Harris and his team attended all meetings and provided updates.

5.9 The Panel considered the Annual Audit letter which identified no significant matters.

### **Report to those charged with governance – ISA260**

5.10 The Panel is still waiting to receive the audit results report from the external auditors. This is due to staffing and resourcing issues at the Auditors and has been an ongoing issue that also affected last year's report. Discussions have



taken place with the auditors about this and we have been given assurances by them that they are working to solve this problem and stop it reoccurring again.

### **Annual Accounts of the PCC and Chief Constable**

- 5.11 The Panel considered the Statement of Accounts 2020-21 in full for both the OCC and the OPCC, in conjunction with the letter of representation and the report to those charged with governance. The Panel were advised that there were no significant issues which needed to be brought to the attention of members, no fundamental control issues or adjusted audit differences. The Panel approved the accounts and the respective Chief Finance Officers and Chair signed the letter of Management Representation.

### **Information Requirements**

- 5.12 The Panel considered reports at each meeting updating on progress of implementing Internal Audit Recommendations. The panel also had pre-meeting briefings on a number of areas of particular interest to them such as the development of collaborative arrangements and the emerging target operating model as well as meeting with the internal and external auditors in private.

### **Fraud and Corruption will be reported at least every other meeting.**

- 5.13 The Panel considered reports and updates on Fraud and corruption at meetings.
- 5.14 During the year any incidents or suspected incidents were brought to the attention of the chair immediately.

### **Ethics, Integrity and Complaints Committee**

- 5.16 The panel has continued to work alongside the ethics, integrity and complaints committee and has brought matters to their attention where appropriate. During this year the panel was disbanded and reformed as the ethics and transparency panel. At the time of this report that new panel had not yet met but JARAP will work closely with them as before and looks forward to doing so.

### **Collaboration**

- 5.18 The panel received regular updates on collaborative arrangements across the region within the meetings and through additional briefings.

### **Other Assurance Providers and Information**

- 5.19 The Panel continue with their pre-meetings to be briefed before every meeting on a subject that is either relevant to the upcoming meeting or future of the Force/OPCC. This has been very useful at increasing members understanding of issues and given the Panel greater insight.
- 5.20 The Panel continued to receive COPACC and Policing Insight emails for the majority of the year but it was decided towards the end of the year that the

Policing Insight subscription wasn't providing value for money so was stopped. Members continue to receive the free to access content from them.

## **6. Other Activities**

- 6.1 The Chair and the Vice-Chair of the Panel met on a number of occasions during the year with the Deputy Chief Constable and/or the Chief Finance Officer as appropriate to discuss the role and work of the JARAP.
- 6.2 Where appropriate, the Chair has been personally updated on confidential strategic and operational issues to ensure the right level of scrutiny has been applied and issues are being managed effectively and tracked via the risk management process.
- 6.3 Due to the pandemic the Chairman was unable to visit other JARAP equivalent meetings across the region. This is something that it is hoped can restart in the next year.
- 6.5 The Panel reviewed actions of meetings and sought additional assurances or supplementary information throughout the year which was responded to and circulated as appropriate.
- 6.8 This year saw the continuation of Panel members appraisals which have been used to provide support and development opportunities for the panel members.