

AUDIT, RISK AND ASSURANCE COMMITTEE

28 January 2021

Minute of the Scottish Police Authority Audit, Risk and Assurance Committee held on Thursday, 28 January 2021 via video-conference

Board Members Present: Jane Ryder (Chair)
Grant Macrae (Committee Member)
Matt Smith (Committee Member)
Michelle Miller (Authority Member) (Item 5)

In attendance: Police Scotland
Assistant Chief Constable Alan Speirs
James Gray, Chief Financial Officer
Andrew Hendry, Chief Digital and Information Officer
(Items 1-4)
Alasdair Corfield,
Fiona Miller, Enterprise Risk Manager

Scottish Police Authority
Lynn Brown, Interim Chief Executive
John McNellis, Head of Finance, Audit and Risk
Graham Stickle, Audit and Risk Lead
Lindsey Davie, Information Management Specialist (Item 2)
Jennifer Muir, Head of Strategic and Business
Performance (Forensic Services) (Item 2)
John MacLean, Workforce Governance Lead (Item 5)

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

Scott Moncrieff
Gary Devlin, Relationship Partner
Matthew Swann, Head of Internal Audit

HMICS
Dave Hair (Observing)

SPA Secretariat
Karen Vallance, Governance Support Officer

1. WELCOME AND STANDING ITEMS

The Chair welcomed everyone to 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 15 September 2020 meeting;
- **NOTE** the action log and that there were no matters arising;
- **AGREE** that, in accordance with paragraph 20 of the SPA Standing Orders, the Committee would consider items 7-9 in private for the reasons set out on the agenda.

2. AUDIT AND IMPROVEMENT PROGRESS

2a. INTERNAL AUDIT PROGRESS REPORT

Members considered the report which provided progress against the Annual Internal Audit Plan. Gary Devlin (GDevlin) provided a summary of progress, as detailed in the paper and highlighted that the one red KPI was not concerning as it was a complex report delayed as a result of the Covid-19 pandemic.

In discussion the following matters were raised:

- Members were advised that the home working security audit was in planned status. It was acknowledged that timescales were tight however it was anticipated the report would be presented to the Committee in May 2021.
- Members were assured that the Internal Audit Opinion was also on track to be reported to the Committee in May 2021.

The Committee **RESOLVED** to:

- **NOTE** the position

2b. MANAGEMENT PROGRESS ON INTERNAL AUDIT ACTIONS

Members considered the report which summarises management progress in completing management actions arising from internal audit reports. Matthew Swann (MSwann) provided a summary of progress, as detailed in the paper. He clarified that SPA had provided a response to the SPA/PS/Forensic Services Joint Working and the outstanding response was from Police Scotland.

In discussion the following matters were raised:

- Members were informed progress had been made on non-pay expenditure controls for procurement however it is not complete from a P2P expenditure perspective. MSwann advised that Internal Audit look at whether the management action has addressed the risk at the point in time the risk was identified. Internal Audit were comfortable with the response but would look at the issue of P2P going forward.
- Police Scotland assured Members that there were rigorous, well developed internal processes to manage progress against actions, prior to reporting to Internal Audit.
- Members discussed recommendations relating to Demand and Productivity and those specific to the implementation of the RAM plan, and were assured that progress work was ongoing and would be met by the March date.
- Members discussed the management actions relating to the Strategic Workforce Plan key person and raised concern that the rationale for closure had not addressed the risk.

The Committee **RESOLVED** to:

- **NOTE** the position as discussed
- **AGREE** the following action:

Members felt the rationale for closure had not addressed the risk. Rationale to be reconsidered.

20210128-AUD-001

2c. POLICE SCOTLAND AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER Q3

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

In discussion the following matters were raised:

- Members were provided with an overview of the new Action Management System introduced and suggested consideration be given to how it can be used to report action updates to the Committee.
- Members discussed the recommendations relating to HMICS and the role of the Committee, noting that actions are only closed once there is agreement from HMICS that they are satisfied. Reporting on these recommendations are brought to the Committee to provide transparency on how Police Scotland respond.

The Committee **RESOLVED** to:

- **NOTE** the position as discussed
- **AGREE** the following action:

Fiona Miller and John McNelis to discuss how action management system can be used to report audit action updates to the Committee.

20210128-AUD-002

2d. SPA AUDIT AND IMPROVEMENT RECOMMENDATIONS UPDATE

Members considered the report which provided an update on current open recommendations from all SPA audit and improvement activity. John McNellis (JMcNellis) highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members raised concern on the status of ICO recommendations. Lynn Brown (LBrown) advised that the new SPA structure addressed resource issues therefore further progress was anticipated to be made by the next Committee meeting. Members were informed that ICO had requested an update on medium and high risks. A written update had been submitted in response and feedback was anticipated. Members requested a follow up report specific to ICO recommendations be brought to the next Committee.

- Gillian Woolman (GWoolman) noted she welcomed the paper.

The Committee **RESOLVED** to:

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

Separate report to be brought to April Committee detailing progress on ICO Recommendations.

20210128-AUD-003

2e. HMICS THEMATIC INSPECTION OF SPA PROGRESS UPDATE

Members considered the report which provided an update on current open recommendations from all SPA audit and improvement activity. LBrown highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members were informed that work to identify closure dates continued and the new categorisation would help progress that work.
- GWoolman sought clarity on reporting lines to the Committee. LBrown confirmed SPA are in constant dialogue with Scottish Government and she would keep Committee Members up to date on progress. HMICS would continue to track progress against recommendations.
- Members discussed the complex interdependencies of some recommendations which are out of control of SPA. LBrown highlighted that despite this, it was important for accountability that she present the report.
- Members congratulated LBrown and JMcNellis on the format change of the paper.

The Committee **RESOLVED** to:

- **NOTE** the position

3. INTERNAL AUDIT REPORTS

3a. BENEFITS REALISATION AND EFFICIENCY TARGETS

Members considered the final report on the review of Benefits Realisation and Efficiency Targets. GDevlin highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members reflected on the discussion at the Authority Meeting on 22 January 2021 relating to change, including reporting of the introduction of the Demand, Design and Resource Board chaired by the Chief Constable. Members welcomed progress, stressing the importance of implementing recommendations in a timely manner.
- Andrew Hendry confirmed Police Scotland were content with the report and progress was being made to address the recommendations.
- Members were assured that information collated through the Demand, Design and Resource Board would be addressed at a divisional level. Members requested an updated internal governance reporting structure, including Demand, Design and Resource Board, be provided.
- Members discussed the reporting cycle to the Committee, agreeing a decision could be taken following the first full Board session on Oversight of change. It was noted that an agreed plan would be in place by the next Committee
- G Woolman confirmed that Audit Scotland would look at the interdependencies with the Strategic Workforce Plan and the performance management framework.

The Committee **RESOLVED** to:

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

Updated internal governance reporting structure, including DDR, to be provided to Members.

20210128-AUD-004

3b. COVID-19

Members considered the final report on the review of Management Response to Covid 19. MSwann highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- James Gray (JGray) confirmed that Police Scotland were content with report. Learning had been taken from the report and applied in areas such as procurement.

- GDevlin highlighted to Members that the overarching finding was that Police Scotland had done a good job during a difficult time. Only two yellow recommendations was testament to the management response.
- GWoolman informed Members Audit Scotland welcomed the request for Internal Audit to look at this.
- GWoolman suggested consideration be given to how the implications sections on the cover papers of Internal Audit reports are reported. LBrown agreed to discuss internally and with Internal Audit colleagues.

The Committee **RESOLVED** to:

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

Discussion on completion and presentation of Internal Audit covering reports to be held between Lynn Brown, John McNelis and Internal Audit.

20210128-AUD-005

3c. CORE FINANCIAL SYSTEMS: FIXED ASSETS

Members considered the final report on the review of Fixed Assets (Core Financial Systems). MSwann highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- JGray confirmed Police Scotland were satisfied with the recommendations and the report had identified progress that had been made.
- Members were advised that the issue relating to legacy assets was due to a variance in record keeping practices throughout the legacy forces. Work had been undertaken to address the legacy issues and then ensure current processes were robust.

The Committee **RESOLVED** to:

- **NOTE** the report

3d. FORENSIC CASE MANAGEMENT

Members considered the final report on the review of forensic case management. MSwann highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Jennifer Muir confirmed Forensic Services management were content with the report. She informed Members the capacity of the Forensic Systems Support team had increased which would allow timely audit responses.
- The Committee Chair confirmed that the MOU was a live issue within the Forensic Services Committee and was anticipated to be reported in May 2021.
- Members agreed that progress on the recommendations be reported to the Forensic Services Committee.

The Committee **RESOLVED** to:

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

Follow up report on management action progress to be brought to a future Forensic Services Committee.

20210128-AUD-006

4. INTERNAL AUDIT ANNUAL PLAN 2021/22

Members considered report (a) which provided an introduction and overview of the internal audit planning process for 2021/22, offering assurance of the robust approach undertaken. JMcNellis highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- LBrown highlighted the methodology provided Audit Scotland with reassurance that SPA has ownership of the plan. She thanked JMcNellis and Graham Stickle for the work undertaken and endorsed the paper.
- Members agreed the report was extremely helpful and welcomed the dartboard approach.

Members considered report (b) which presented the draft Internal Audit Annual Plan for 2021/22. GDevlin highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- Members noted there was few contingency days included. LBrown responded that the number of contingency days was not significant as it was a robust programme to be delivered. However, the plan had been designed so days can be added if necessary.
- Members were informed that 40 days for health and safety reflects the large size of the organisation and the complexity of risk. GDevlin advised that there had been no Health and Safety expertise requested from Police Scotland as there was no gaps within the Police Scotland Health and Safety team.
- Members discussed the timing of the estates management review and were informed that the initial assessment of the impact of home working would not change the estates strategy significantly, and therefore would not impact the timing and scope of the review.
- Members discussed whether either change management or TCCS implementation could be brought forward to 2021/22. Rationale was provided that those reports were scheduled for 22/23 to allow recommendations to be taken forward from the benefits realisation and efficiency targets review.

The Committee **RESOLVED** to:

- **NOTE** report (a).
- **RECOMMEND** the Draft Internal Audit Plan 2021/22 to the Authority for Approval.

5. WHISTLEBLOWING

The Committee Chair welcomed Board Member and SPA Whistleblowing Champion Michelle Miller (MMiller) to the meeting.

Members considered paper (a) which provided an update on the implementation of the SPA Whistleblowing Policy; outlined proposals to include the outcome of a self-assessment against the Whistleblowing Commission Code of Practice as part of the ARAC annual report; provided an update on engagement in relation to the possibility of moving towards a single policy for policing with different escalation routes; and provided some commentary in relation to the specific Dame Elish Angiolini recommendations associated with whistleblowing. John MacLean highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- MMiller highlighted that a lot of work had been undertaken to ensure the SPA and Police Scotland policies mirrored each other. The key issue addressed was that both organisations had a policy and operating procedure which looked at the response to whistleblowing complaints, not simply the number of complaints processed. MMiller noted the paper was a good first step.
- Members were informed that aspects relating to whistleblowing within the Dame Elish Angiolini report would be taken forward as part of the legislative programme required to implement the Dame Elish Angiolini report. However, if any changes can be introduced without a legislative change, they will be taken forward as appropriate.
- Members were informed that despite the small number of cases being reported within SPA, there will continue to be an annual report on the policy and any lessons learned.
- GWoolman noted she welcomed the work underway, noting that it was important that it was accessible to those who are concerned.

Members considered paper (b) which provided an overview of the Whistleblowing processes in place within Police Scotland. ACCSpeirs highlighted a number of key points as detailed in the paper.

In discussion the following matters were raised:

- ACCSpeirs confirmed that some whistleblowing complaints are clear that they are whistleblowing although some are assessed as not. Gateway staff have received intensive training to assist in making assessments.
- Members questioned what learning has taken place to which ACCSpeirs responded that each circumstance is considered on its own merit however the first learning identified was to make sure appropriate support and welfare is put in place.
- Members were informed that both SPA and Police Scotland have worked with the Protect organisation to provide an external source of support for whistleblowers.
- Members were advised that Forensic Service staff have access to whistleblowing information via the intranet.

- Members sought information on the outcomes of whistleblowing process. ACCSpeirs advised that instances are small but varied and while not every outcome leaves the whistleblower satisfied, learning is always taken. Members suggested consideration be given to tracking benefits and determining any improvement plans.
- During discussion of various Committee reporting, it was noted that existing agreement for SPA is that a six monthly report be provided to MMiller and an annual report to the Audit, Risk and Assurance Committee. For Police Scotland the current position is that a report is provided to the Chief Constable through internal governance with an annual report to the Audit, Risk and Assurance Committee.
- MMiller noted it was positive the current report showed an emphasis on training but felt that the information stated within the report does not fully satisfy the Authority's responsibility for governance in relation to whistleblowing. Members acknowledged the robust internal processes highlighted but sought greater clarity and assurance on outcomes in order to allow the Authority to undertake an overall assessment
- Members were informed that matters reported through the gateway that are not assessed as whistleblowing are reported to the Complaints and Conduct Committee.
- Members noted that the SPA approach was focused on a previous Internal Audit report. The Committee noted the next step was to look at the annual report following approval of the policy.
- Members requested SPA and Police Scotland identify appropriate contact to ensure consistency of points covered within SPA and Police Scotland annual reports.

The Committee **RESOLVED** to:

- **NOTE** the reports
- **AGREE** the following actions:
 - Future reports to include greater clarity and assurance on outcomes
 - SPA and Police Scotland ensure consistency of points covered within SPA and Police Scotland annual reports.

20210128-AUD-007

6. AUDIT COMMITTEE WORK PLAN

GWoolman informed Members that the Annual External Audit Plan is scheduled for April 2021 which is later than previous years. The 2019/20 annual audit process was challenging due to the pandemic and move to remote working. While the SPA Annual Audit Report was submitted on time, this did not happen for other organisations. As such, Audit Scotland have moved to deprioritise some audit work but it is not anticipated that this will impact the audit work of SPA.

Members requested the Audit Scotland Annual Plan be circulated to ARAC Members once complete, prior to next Committee.

The Committee **RESOLVED** to:

- **NOTE** the work plan
- **AGREE** the following action:

Audit Scotland Annual Plan to be circulated to ARAC Members once complete, prior to next Committee.

20210128-AUD-008