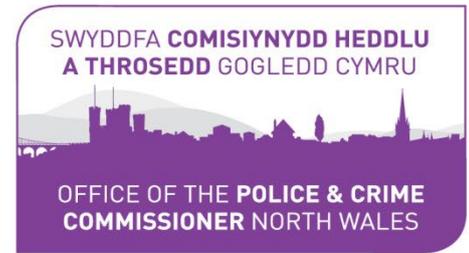




**HEDDLU
GOGLEDD CYMRU**
**NORTH WALES
POLICE**



JOINT GOVERNANCE BOARD

**28th June 2023 @ 10:00
ONLINE**

PRESENT:

Kate Jackson, OPCC Chief Finance Officer (**Chair**)
Rachel Barber, Joint Audit Committee Chair [RB]
Jonathan Maddock, TIAA [JM]
Guto Edwards, Head of Finance [GE]
Sian Jones, Risk and Business Continuity Coordinator [SWJ]
Phil Kenyon, Force Solicitor [PK]
Stephanie Maddix, NPCC PA [SM] (minutes)
Seb Phillips, Director of Finance and Resources [DFR]

APOLOGIES:

Helen Corcoran, Corporate Services Chief Superintendent
Sarah Davies, JAC Governance and Ethics Lead
Stephen Hughes, OPCC Chief Executive
Anne Matthews, Finance & Budget Officer
James Sutton, Assurance Board Chair
Helen Williams, Finance Control Accountant
Simon Williams, Corporate Services Chief Superintendent

347. MINUTES OF PREVIOUS MEETING 1 MARCH 2023

The board reviewed and approved the accuracy of the previous minutes.

348. ACTION LOG

Refer to separate action log for updates.

349. AGREE ANNUAL GOVERNANCE STATEMENT

DFR presented the updated Annual Governance Statement (AGS) for 2022-23 positioning the methodology that was applied to write the revised document.



AGS Review -
Final.pptx

He explained that particular focus was put on the following areas from the CIPFA guidance to ensure the revised AGS document was more meaningful:

- Evaluating the governance against the local Code of Corporate Governance and principles.
- Be written openly and be easily digestible.
- Include identification of significant governance issues and an action plan to address them.

The AGS documents were reviewed from those forces graded as outstanding in the HMICFRS PEEL Assessment for Question 12, relating to strategic planning, organisational management and value for money, and the common structures were drawn out to form the basis of our updated AGS. These included documenting what we have in place to oversee effective governance of our processes, which is this Corporate Governance Working Group - Joint Governance Board - and a summary of the self-assessments that the force has in place: the commissioned Governance Efficiency & Effectiveness Review; AGS Action Plan and the CIPFA FM Code Self-Assessment. It was found that although the outstanding forces did not have any significant governance issues to raise, they would use their AGS documents to flag up areas that may have an impact on governance which in our case would be referencing the limited assurance audits, change of Chief Constable and details of extended timelines for external audits.

DFR explained that the document remains as a draft and content would be added over the next few months to ensure it reflects our position when the accounts are signed off in December. The known content still to be added would include the findings from the Governance Review once it has concluded, the final internal audit opinion plus any other governance issues of significance.

Decision: Members endorsed the approach that had been taken with regards to the drafting of the revised Annual Governance Statement for 2022-23.

The Chair thanked members for their input throughout the year to assist with drafting this revised AGS document.

350. STATEMENT OF ACCOUNTS

GE provided an update on the revised timeline for when the Statement of Accounts would be prepared, audited and certified: the outturn was produced by mid-May; the draft Statement of Accounts would be signed off by the end of June; the audit would then be conducted in the autumn with certification scheduled for 7th December 2023. This has been confirmed as acceptable by Audit Wales and the Welsh Government but is subject to the OPCC putting out specific notices on their website to notify when the accounts will be published.

As the audit timeline overlaps with the force's budgeting period, a number of mitigations have taken place. The Finance Dept. have taken an additional month to fine tune the statement of accounts; an information sharing system with the Audit team will be used to upload further detail; and regular meetings will be held with the Audit team to discuss issues as they come up. The delay to the audit timeline is an issue of significance which would be highlighted in the AGS.

An Accounts technical briefing was held with JAC members yesterday, and RB commented that it had been a productive session with a number of actions recorded to feed into signing off the draft accounts later this month. Assurance around the clarity and transparency of the contingency and reserves were sought from JAC members, and it was confirmed that the narrative would be developed to address this.

GE assured that the reserves are continually reviewed, for example the MTFP sets out the plan for any use of the reserves and the amount within the reserves at the end of the last financial year reflected what was expected within the MTFP assumptions. During the organisational planning process, consideration of the best use of the reserves is continually discussed and our strong balance sheet provides the force with the opportunity to manage budgets over the medium term.

DFR added that there is some national work ongoing in finance forums around the financial resilience of police forces. For those forces that do not have as robust a balance sheet as they would like, they face a greater risk for any unplanned events that sit outside of their MTFP assumptions.

351. GOVERNANCE EFFICIENCY AND EFFECTIVENESS REVIEW

SWJ updated the group to advise that phase 1 and 2 of the Governance Efficiency and Effectiveness Review had been completed. These involved meeting with senior officers and with other forces (namely those graded as outstanding on the HMICFRS PEEL Question 12 analysis, our most similar forces and the other Welsh forces), to pick out good practice and common themes. A draft report has been produced with 11 recommendations which was presented to the chief constable and will be submitted to SLT in July for endorsement. If agreed at SLT, they would then look to proceed with implementing the recommendations and a substantial update would be provided to the next JGB meeting.

The key recommendations that have emerged as good practice are:

- Making sure the Governance framework/structure is more strategically aligned with the force priorities, to make it clearer how the priorities are driven forward by the force.
- Combine the quarterly Strategic Management Board and the fortnightly Senior Leadership Team meetings into a monthly meeting, to make better use of senior leader's time.
- Extend the scheme of delegation to enable boards other than SMB and SLT to make decisions – this would have clear parameters around what decisions can be made at the various levels and should reduce duplication whilst empowering boards.
- Clear reporting structure for performance which will be considered at all levels of the force, from chief officers to frontline staff.
- Introduce a gate keeper function to oversee strategic meetings to ensure that meetings retain focus and keep to their TOR and to reduce duplication within meetings.

ACTION: SWJ to share a copy of the draft Governance Review report with RB for the information of JAC members.

DFR commented that the recommendations provide logical appeal but that there would be some practicalities to work through should they be agreed.

SWJ added that a draft governance structure has been put together as part of the report which may need some slight amendments to make sure that the right meetings are under the correct pillars, but they would be working to get this in place by September.

352. a) REVIEW OF INTERNAL AND EXTERNAL AUDIT RECOMMENDATIONS
b) REVIEW OF PUBLICATIONS ISSUED BY INTERNAL AUDIT
c) ANNUAL AUDIT PLAN

A final position on the Audit Plan for 2023/24 has now been reached with TIAA, and the Audit Strategy and Plan are contained within this agenda pack; this would be shared with Joint Audit members too.

It was noted that there are certain areas struggling with time constraints and there is an element of negotiation with the Finance & Budget Officer to get their respective audits scheduled but the balance between workloads against the need for assurance and independent scrutiny is being managed well.

The final documents for 2022/23 are awaited, and once received the final audit opinion would feed into the AGS document.

DFR highlighted the four limited assurance audits within the report which are all progressing. The O365 recommendations that date back to 2020 link into NEP phase 2 which is currently subject to multiple internal meetings, involving colleagues from the project management office, information assurance and risk. There is still further work to do before the recommendations can be closed off, but this is progressing.

DECISION: It was agreed that future reports can be streamlined to a highlight report and there would not be a need to include all the outstanding or completed recommendations, particularly because the completed recommendations are already subject to review by TIAA.

353. MONITORING OFFICER ROLE FOR THE FORCE

PK raised the notion of introducing a Monitoring Officer role for the force to improve governance. It is not a statutory role in forces but is for Councils. A monitoring officer is available for members and officers to consult on any issues of the force's legal powers, possible maladministration, impropriety and probity issues and general advice on constitutional arrangements. PK envisages the role as having access to meetings and papers and then to have quarterly meetings with the chief constable and PCC to offer horizon scanning and awareness as to what things may end up being a cause for concern and would be there to constructively challenge.

Cheshire, Merseyside and Lancashire forces have introduced a monitoring officer role by making a change to an individual's contract of employment, so it is part of their role to raise issues; feedback from those forces is that it is working really well. PK added that although much of these responsibilities are part of his role already, it would be a way of formally dealing with it and improving the governance of it.

PK has discussed this with chief officers and the OPCC and has received support. There are no current issues requiring a monitoring officer, but he advised that it would be wise to make these arrangements whilst things are going smoothly.

Members were supportive of the approach and for PK to progress.

354. JOINT AUDIT COMMITTEE ACTION PLAN

DFR presented the below slide deck to explain the context of the Joint Audit Committee Action Plan, to build on the effectiveness of the Audit Committee and to strengthen JAC involvement in certain areas moving forwards.



JAC Action Plan -
Review.pptx

The process should help to continually improve the effectiveness and efficiency of the Audit Committee for all concerned. This is scheduled to be raised at the July JAC meeting as an agenda item and a JAC Action Plan for 2023/24 would be produced thereafter, which would be tracked by this forum over the course of the year.

RB thanked everyone that contributed to the feedback, as she has found it hugely helpful. She welcomed feedback from anyone at any time with regards to how to improve the effectiveness of the Joint Audit Committee.

355. REVIEW OF RECOMMENDATIONS FROM JOINT AUDIT COMMITTEE

DFR presented the open actions relating to governance from the JAC meetings to give visibility to members of this Board and provided updates where appropriate.

356. ASSURANCE UPDATE (BY EXCEPTION)

An Assurance Update report was circulated with the agenda and was taken as read. No questions were raised from members.

357. REVIEW FORWARD WORK PLAN

The following was agreed to be added to the Forward Work Plan:

- Include an item every 6 months to monitor the JAC evaluation.
- Include as an item at the next meeting - Monitoring Officer Role.
- Include as an item for the next meeting – Update from Governance Review.

ACTION: SM to update the Forward Work Plan to reflect the above agreed additions.

358. ANY OTHER BUSINESS

The chair confirmed that the Manual of Governance had been re-ratified by the Police & Crime Commissioner and Chief Constable at the most recent Strategic Executive Board meeting, and thanked members for their input.

DATES OF NEXT MEETINGS: Wednesday 6th September 2023
Wednesday 15th November 2023