



JOINT AUDIT COMMITTEE

DRAFT MINUTES

Date: 31 July 2025

Time: 10:30 hours

Location: via Teams

Members:	Simon Smith	Chair
	John Pye Ian Pinches Andrew Godman Lucy Sales Sophie Cook Amna Rehman	
In Attendance:	Nick Dean	Chief Constable
	Darryl Preston	Police & Crime Commissioner
	Jack Hudson	Chief Executive OPCC
	Phil Trussell	CFO for the OPCC
	Suzanne Rowlett	RSM
	Richard Lee	KPMG
	Kirsty Toone	Head of Finance for the Constabulary
	Elaine Fox	Principal Financial Accountant for the Constabulary
	Les McCracken	Force Risk & Non-financial IA Controller, Organisational Improvement, Constabulary
	Nancy Leversha	Finance & Audit Manager for the OPCC

1.	Welcome and Apologies
	<p>Apologies were received from:</p> <ul style="list-style-type: none"> • Jane Gyford, Deputy Chief Constable • Jon Lee, Director of Finance & Resources Cambridgeshire Constabulary • Daniel Harris, RSM • Jamil Khan, RSM • Katie Henry, KPMG <p>SS welcomed everybody to the meeting. He noted that JP was new to the meeting and will be taking over as Chair as this is SS and IPs last meeting. SS also noted new attendance from SR from RSM and RL from KPMG.</p>
2.	Declarations of Interest
	There were no declarations of interest.
3.	Agreement of the minutes from the last meeting held on 1 May 2025
	<p>The minutes were agreed as factually correct.</p> <p>SS noted there had been a good update from BCH at the May meeting and asked whether there had been any action looking at audit committees in the BCH space. JH stated he has reviewed the Cambs ToR and been in contact with his fellow Chief Exec's in Beds & Herts but there is no appetite for an audit committee across BCH so not much traction currently. SS recognised that the committee is limited in its role. DP stated in his view it would be sensible to have a joint capability across BCH and will discuss with the other PCCs.</p>
	<p>Resolved</p> <ul style="list-style-type: none"> (i) The minutes were agreed as correct. (ii) DP to speak to Beds & Herts PCCs about the potential for a BCH Audit Committee.
4.	Internal Audit
	4a. BCH Protocol – SR stated the protocol has been in place for a number of years. This version has defined the roles for oversight and includes the update that all draft reports are issued to all CFOs. SS asked if time restraints are also

	<p>included in this process, as we have come across the issue where BCH draft reports have been delayed by partners. SR stated that scoping of audits is six weeks before the audit is to commence. RSM will issue the draft report 10 working days following the debrief and management responses to be returned to RSM in 10 working days. IP thanked all those involved to get the draft reports to a wider audience across BCH partners. IP added this isn't a fix for wider governance issues but a big thank you.</p> <p>4b. Internal Audit Annual Report 2024/25 – SR stated this is the annual report to the 31 March 2025. Page 3 shows the annual audit opinion for the OPCC and page 4 for the Constabulary. Both are considered a reasonable assurance which means that both organisations have an adequate and effective framework for risk management, governance and internal control. This is the most common assurance across RSM's client base and is based on the work undertaken during the year. This opinion will feed into the AGSs.</p> <p>4c. Progress Report – SR stated this finalises the 2024-25 plan and reports on the two final BCH reports. A corporate review of the BCH JST project management framework had clearly defined processes and they were working as intended, this gained a substantial assurance. The second report was Learning Needs analysis and accreditation which found controls were generally well designed and complied with but resulted in two low priority and two medium priority actions and a reasonable assurance. IP asked in terms of the first action there is an implementation date of 31 March 2026, why is there such a long time and what mitigations are in place in the meantime. LM stated he would get an updated from L&D. IP asked for the focus to be on how the position is being mitigated as the concern is there is a gap. SS thanked SR for the reports.</p>
	<p>Resolved</p> <ul style="list-style-type: none"> (i) The Committee noted the update. (ii) LM to get an update on timescales and mitigations in place from L&D on their medium priority action.
5.	External Audit
	RL introduced himself to the committee stating he is taking over from KH. They

	<p>have an early transition in place to minimise disruption. RL added he is working across BCH. RL stated the 24/25 audit is progressing well and substantive testing is underway. RL added that KPMG are risk assessing individual organisations on a case-by-case basis to build back assurance earlier than initially planned. KPMG inherited disclaimed opinions which meant their 2023/24 opinion was disclaimed. KPMG are working with PSAA and NAO to be able to issue non-disclaimed opinions sooner. RL reminded the committee that the disclaimer was due to not having sufficient audit evidence and not due to issues with the accounts. RL continued that audits are ahead of last year and meetings are scheduled throughout August and September with the Finance team and more formal reporting will come to the committee as the audit concludes.</p> <p>SC asked for clarification on timescales and whether RL may be in a position at the October meeting to update us on the potential sooner non-disclaimed opinion. RL stated he is hopeful there will be an update in October. SC asked that he work with the Finance team for any additional procedures and ensure timings work for them. RL stated KPMG are in the early stages but do not want to default to a disclaimed opinion. SC stated this is encouraging that KPMG and the committee have the same objective to get a clean opinion as soon as possible.</p> <p>PT stated that had been summarised well. PT added the backstop date is 27 February 2026 for 2024/25 accounts and that our draft accounts make reference to the disclaimed opinion being government policy. KPMG had previously indicated it would be 2026/27 before a clean opinion was available so if we can get there sooner would be great.</p> <p>IP asked PT if he could confirm that the disclaimed opinion has no bearing on our ability to take out loans. PT stated our loans tend to be with the PWLB and that he doesn't believe there is any impact but will check.</p>
	<p>Resolved</p> <p>(i) The Committee noted the update.</p>
<p>6.</p>	<p>Draft Statement of Accounts & Annual Governance Statements</p>

	<p>SS stated the committee members had the opportunity to attend a briefing on the accounts.</p> <p>EF stated the accounts are here for noting and the audit is well underway as RL has stated.</p> <p>Draft Annual Governance Statements – LS noted that the draft OPCC AGS had a place marker for the external audit opinion to be added. SS asked who the audience for AGSs is. JH answered the AGS is a transparency requirement to provide assurance that governance processes are in place. The OPCC has recruited a new Governance post, and the new person will be reviewing our AGS, but it provides a good insight to our governance framework.</p> <p>SS noted that each organisation has its own separate AGS and stated he thinks this is correct. He noted that there are good explicit links to source documents. SS stated he is aware that CIPFA are issuing new guidance for AGS for 2025/26.</p>
	<p>Resolved</p> <p>(i) The Committee noted the update.</p>
7.	Operational Risk Register
	ND updated the committee on the operational risk register and movements in risk.
	<p>Resolved:</p> <p>(i) The Committee noted the reports.</p>
8.	Integrity Controls Annual Report
	<p>JH provided a summary of the report stating that it is a useful annual review that tests the value of our existing arrangements and provides us with the opportunity to identify any risks. JH added that the report had been through both the PCCs BCB meeting and the Police and Crime Panel meeting under the Trust and Confidence Pillar of the PCC's Police and Crime Plan. The report highlights areas of the PCCs statutory holding to account role in respect of ethics and assurance.</p> <p>IP stated this is a good and comprehensive report. IP asked in terms of custody</p>

	<p>suites, there are limitations at Parkside and noted that the use of Kings Lynn to extend options. IP asked if there were concerns in the long-term strategy for adequate custody arrangements as Kings Lynn is not under Cambs control. ND answered that he is reassured as Milton Police Station will be complete in 2026 with 24 new compliant cells. HMICFRS have recently inspected both Parkside and Thorpe Wood and there were no areas of concern raised. ND stated we know that Parkside is not ideal but it is safe and protects the dignity of detainees. Kings Lynn is a contractual arrangement and services Peterborough and Fenland. A strategic decision was made to utilise Kings Lynn to ensure we get value for money and Norfolk need our financial contribution, so ND has no concerns. Thorpe Wood is aged and will be considered following Milton coming online.</p> <p>SS noted there is a complicated structure described in the report with a number of bodies and panels etc. He wondered whether a diagram would be helpful to the people involved but praised the good thorough work involved in this report. JH stated the Police and Crime Panel had made a similar request and that a diagram had been provided. ND noted there had been good feedback on the style of the Corporate Framework by the Constabulary and suggested that the style could be used by the OPCC which make provide more clarity.</p>
	<p>Resolved:</p> <p>(i) The committee noted the update.</p>
9.	Compliance with CIPFA Financial Management Code
	<p>PT reminded the committee this is a self-assessment exercise with 17 standards. We consider ourselves green in all but two standards which are graded amber. Both of these standards are around collaboration planning and are functions outside of our direct control. SS agreed this continued as previous reports.</p> <p>AG stated this is very useful for the committee and positive to acknowledge the areas for improvement have been identified and the committee understand the position.</p>
	Resolved

	(i) The committee noted the report.
10.	Treasury Management Review 2024/25
	<p>PT stated this is a backward-looking report. The key highlights are the capital underspend is largely down to Monks Wood and Milton. The Monks Wood project has been cancelled. This will cause an underspend against capital budget in 2025/26 too. During the year we took out two loans with PWLB on a short-term basis to provide us with the flexibility to lock in lower rates if/when they come through. On the positive side the higher interest rates have provided us with higher-than-expected interest received. In cash terms we have £14m investments which is mainly borrowing that has yet to be spent. We continue to look for capital grants as far as we can. There is an assumption for a level of income from disposal of Parkside. There are a number of options under review for this. It has been a positive year and a tightly controlled area.</p> <p>AR asked on page 4 the table noting the CFR General Fund shows unfinanced capital at £4.9m last year and £15.9m this year is there a minimum provision here. EF answered the increase is due to additional costs as the Milton build is due for completion. PT added it is the gap in the capital programme that we need to borrow.</p> <p>AR stated the second table on page 4 shows underfunding of £6.1m why is this. PT stated it is a timing difference between the capital programme outlay.</p> <p>AR noted that on page 6 the Treasury Portfolio had moved from a majority with banks to a majority with money market funds. PT stated we decide on the best return in the short-term within the constraints of our Strategy Statement. AR thanked PT and stated the report was comprehensive and easy to read.</p> <p>IP added it is a good report and asked about capital projects and budget overspends especially when projects run across multiple financial years. How do you gain assurance and control costs as we know inflationary pressures and do you use external people to manage capital projects. PT stated the capital programme contained two major building schemes at Monks Wood and Milton as well as ICT and Fleet. Milton is due to complete and there has been tight controls financially by using fixed pricing where we could. We have used external</p>

	<p>advisors, and we are currently forecast to come in under the budget ceiling.</p> <p>PT continued Monks Wood price escalated over time. Build costs were £14m at the start and ended up at £18m partly due to delayed decision making in BCH. The mitigation for the operational training element sits with ND and team but this project has been a lesson in how delays escalate costs. IP asked if there is outlay that can be recouped and how the organisation will learn lessons and apply them in future. IP added joint capital projects in the public sector often have widespread issues in his experience.</p> <p>PT stated that costs incurred to the end of the 2024/25 financial year are shared proportionately with Beds and Herts. The sunk costs are a write off and that will be part of the revenue expenditure. IP asked if there was a provision made in the draft accounts or whether it will be included in the following year accounts. EF stated it is included in the 2024/25 draft accounts.</p> <p>DP added that IP made a very good point about joint projects. The three CCs have an operational requirement to provide public order training under the strategic policing requirement. In BCH there are six decision makers, and it has been very frustrating when decisions were delayed by one or two of those. This is why we are seeing the government mandating more centrally. We understand that collaboration is a good thing and is the right thing to do. Lessons have been learnt in this project.</p>
	<p>Resolved</p> <p>(i) The committee noted the report.</p>
11.	Annual Report from Committee
	SS stated the report was compiled on a collective basis by the committee and asked that it be noted by the CC and PCC.
	<p>Resolved</p> <p>(i) The Chief Constable and PCC and committee noted the report.</p>
12.	Summary of meeting and review of actions
	SS stated that all actions had been discharged and closed and he was handing

	over a clean sheet to JP.
13.	AOB
	<p>PT answered IP's earlier question about loans stating that our borrowing with the PWLB was not impacted by the disclaimed audit report.</p> <p>DP thanked SS and gave his heartfelt thanks to both SS and IP as it is their last meeting. DP added that they have both provided really useful insights and challenge to him. DP recalled SS's first question of what keeps you awake at night and refers to this frequently. DP also noted that it is ND's last JAC meeting and thanked him for his insight and support. DP wished all the best for the future.</p> <p>SS thanked DP and added as a personal perspective that he and IP had been on the committee for eight years and wanted to thank everyone who has attended meetings over the years. SS added the corporation sole relationship really depends on a good working relationship and he thanked officers and committee members for this over the years.</p> <p>IP added one final big thank you to officers and committee colleagues. IP added the commitment by ND and DP to the JAC is welcome. IP stated this is not the norm across the country and it is key to making this JAC work as well as it does as without the support at that level the JAC would fail.</p>
	Date of Next Meeting
	The next meeting will be held on Monday 27 October at 13.30 hours.
	<p>Scheduled Meeting Dates</p> <p>Thursday 5 March 2026 at 10.30am TBC</p>