



JOINT AUDIT COMMITTEE

DRAFT MINUTES

Date: 27 October 2025

Time: 13:30 hours

Location: Conference Room 3 Police Headquarters

Members:	John Pye	Chair
	Andrew Godman Lucy Sales Amna Rehman	Via Teams
In Attendance:	Simon Megicks	Chief Constable
	Darryl Preston	Police & Crime Commissioner
	Jack Hudson	Chief Executive OPCC
	Phil Trussell	CFO for the OPCC
	Jon Lee	Director of Finance & Resources
	Jamil Khan	RSM
	Nicole Guo	KPMG
	Kirsty Toone	Head of Finance for the Constabulary
	Les McCracken	Force Risk & Non-financial IA Controller, Organisational Improvement, Constabulary
	Michelle Lord	Senior Policy Officer OPCC
	Nancy Leversha	Finance & Audit Manager for the OPCC

1.	Welcome and Apologies
	Apologies were received from:

	<ul style="list-style-type: none"> <li>• Sophie Cook</li> </ul> <p>JP welcomed everybody to the meeting and brief introductions were made.</p>
2.	Declarations of Interest
	There were no declarations of interest.
3.	Agreement of the minutes from the last meeting held on 31 July 2025
	<p>The minutes were agreed as correct and approved.</p> <p>The actions were all complete. AG asked about the action about a potential BCH Audit Committee. JP stated that he and DP had spoken and decided not to pursue this currently but to look at Cambs and be clear about are we delivering and receiving what we should from collaboration, and what happens when if we don't.</p>
	<p>Resolved</p> <p>(i) The minutes were agreed as correct.</p>
4.	Internal Audit
	<p>a. Progress Report</p> <p>JK presented the report from RSM stating two Cambs reports have been finalised to date, Payments and Creditors and General Ledger. Scoping is ongoing for the remaining audits. Payments and Creditors is an area covered every few years and received a reasonable assurance with one medium priority action. General Ledger is also audited every few years, this received a substantial assurance and one low priority action.</p> <p>JP asked when the final opinion will be available. JK stated there are a number of reports to be completed and finalised but will come to the meeting near April 2026.</p> <p>The committee discussed the value of collaborated internal audit reports being reported to committee.</p> <p>b. Recommendation progress update</p> <p>KT provided an update on the financial recommendations and noted two actions</p>

	<p>had been covered by JK in his update. The two outstanding actions relate to the Fraud audit; processes have been developed and are now business as usual. We await RSM to sign off progress. The second action for Payroll has been extended to 31 March 2026 for completion as there have been system constraints but alternative solutions are being explored.</p> <p>LM provided an update on the non-financial actions.</p> <p>2024-25 BCH Learning Needs Analysis and Accreditation progresses – one Low action is completed, one Low action is substantively completed but remains outstanding to evidence further checks, and the remaining Low and one Medium are progressing within target dates.</p> <p>2024-25 BCH Innovation Framework has only one outstanding action (Medium) which is tied in with the BCH ICT Target Operating Model work and is progressing within target date.</p> <p>2023-24 Corporate Review - BCH Vehicle Usage had only one action (Medium) which remains outstanding. Some local Cambs progress has been made, and Jon Lee is seeking support for further action from the other two forces.</p> <p>2022-23 GDPR has one action (Medium) still ongoing. This is also subject to review by ICO. A project covering this is nearing an end and the outcome should be available by next JAC.</p> <p>2022-23 Targeted Fraud outstanding action (Low) has been completed since the JAC report was issued – it was awaiting presentation of the latest version of the Fraud Risk Assessment to Risk Review Board before closing – this took place on 20<sup>th</sup> October.</p>
	<p>Resolved</p> <p>(i) The Committee noted the updates.</p>
5.	External Audit
	<p>NG presented the draft end of year report to the committee stating the audit is ongoing. This is a large document but provides information to the committee of how the audit has progressed and acts as a position statement at this time. There will be a document to follow with information on the disclaimed opinion. NG highlighted the audit had found a journal had been posted incorrectly. KT stated this was in relation to Barclaycard and the incorrect code was applied, work has been undertaken to explain the coding structure. JL stated in addition, that</p>

	<p>reviews of journals and coding will form part of the business partner reviews with budget holders. LS stated the explanation is reassuring.</p> <p>NG continued stating a lot of work has been undertaken and engagement with the pension actuaries. NG noted there had been a misstatement with regards to IFRIC 14 but everything is ok on the balance sheet.</p> <p>AG asked if the McCloud judgement has all been worked through the pensions. JL answered the majority has but there are some remedial statements being issued. The implementation is well advanced and has no impact on this area.</p> <p>NG referred to the Value for Money and does not anticipate any adverse commentary.</p> <p>NG reminded the committee of the confirmation of independence statement and the two control deficiencies as detailed in the draft report.</p> <p>NG stated the Indicative Auditor’s Annual report does not contain an opinion as work is ongoing. KPMG expect to issue their final report in January 2026 but it is their intention to have the majority of audits complete by the end of November 2025. JL asked when sign off of accounts will happen, will it be before February 2026. NG stated that KPMG are in discussion to identify when they can issue their opinion and are using regulator guidance. They are working to finish the substantial audit but may need to undertake some additional testing in December 2025 but anticipates it will be January/February 2026.</p> <p>JP stated he understands that some elements may be moved out of the disclaimed opinion. NG answered that depends on how much work KPMG can complete.</p>
	<p>Resolved</p> <p>(i) The Committee noted the update.</p>
6.	Strategic Risk Register
	<p>JH stated that the OPCC streamlined the risk register to what you have received, there may be potential gaps, but this is working for us currently. We have looked at good practice across other OPCCs. JH gave an overview of the</p>

risks and noted one new risk of a national shortage of Police Appeal Tribunal Chairs which could impact on confidence in policing. JH stated the increase in the Holding to Account risk is in part due to the impact of the FEL element.

AR asked about future mitigation and direction of travel JH answered this is being mitigated through BCB and performance monitoring, there has been investment recently with extra resources but still early days. AG suggested that FEL could be a good area for a case study for the Governance Framework, how did it get so bad, where does the information flow and where were the intervention points. JP agreed that is a tangible example. JP queried whether the risk is clear, as it reads that the whole of holding to account isn't working, however it is just one element that isn't working well and there may be a more nuanced way of displaying the information.

AR asked for SD2 what the unknowns are mentioned in the update about the CSR. PT answered the Government issued the CSR for the next three years to 2028/29. Our funding grant is unknown within that along with pension, NI and pay award assumptions. We usually receive about 82% of our costs due to the funding formula. There are a number of unknowns such as Year 2 of the Neighbourhood Policing Grant, the level of productivity assumed by the Home Office and we don't know what assumptions they have made. JL added we won't know our funding settlement until mid-December and we are aware there have been challenging conversations in the Home Office following the CSR. JL has developed a number of scenarios for planning purposes.

JP asked if this risk will always sit at the top of the register. DP answered that he cannot see the formula funding change in this term of Government. There will be winners and losers, but his ask has been for fairer funding and to use up to date Census population data as Cambs have increased by at 10%. JP added so it will forever be a risk that you accept. PT answered the risk crystallised around continued poor funding, but the mitigation becomes how we maintain a sustainable budget.

JP asked how much of this issue is in the public domain. DP answered that he is quite open and that it is not just policing that suffers poor funding as he is

	<p>aware it happens in Education too. SM added that Police take on distilled issues that other partners cannot take on which compounds the effect on policing.</p> <p>JP stated he is aware the committee have been reviewing the OPCC risk register at one meeting and the operational risk register at the next, but he is wary of this approach and the committee have agreed they would like both risk registers to come to future meetings.</p> <p>LS stated there has been a lot of change in Cambs with a new CC and DCC and asked if she missed a risk about this. JH stated the recruitment of the CC had been a risk but it had been mitigated and managed through the OPCC and the new CC started as per the required timeline and a new DCC has been recruited, so the risk has been closed. JH confirmed there was no residual risk.</p> <p>LS asked in terms of risk appetite, are there metrics for tolerance levels. JH stated this is usually considered on a risk-by-risk basis. LS stated it would be useful to understand risk tolerance levels as a risk could be red but within tolerance levels. JH thanked LS for her feedback.</p>
	<p>Resolved</p> <ul style="list-style-type: none"> <li>(i) The Committee noted the update.</li> <li>(ii) OPCC Strategic and Operational Risk Registers to come to each JAC meeting from next meeting, NL to amend workplan.</li> </ul>
<p>7.</p>	<p>OPCC Governance Framework</p>
	<p>JH introduced the item reminding the committee this work had been requested at the previous meeting for a diagram/map of governance. This work has tied in with ML arrival and a fresh pair of eyes to review the governance framework and to explore and develop a diagram of governance arrangements.</p> <p>ML stated the diagram is based on the annual integrity report that was received by the committee in July 2025. This shows the mechanisms where the PCC received assurance on ethics and integrity. The diagram starts to show the complexity and how it is intertwined with the Constabulary governance. ML stated that she intends to update the governance framework to provide a</p>

	<p>comprehensive picture and link it to statutory duties, Police and Crime Plan themes and show lines of reporting. The plan is to gather the data so that it can be sliced and diced in whatever way we wish, and this will provide us with the ability to produce a number of diagrams. ML stated this will include both BCH and 7Force. The plan is for a document similar to the Constabulary governance framework that will describe principles and provide an inventory of meetings with terms of reference alongside the annual integrity report to come to the committee in September 2026. The annual integrity report will be backward looking at how well did our governance framework work.</p> <p>JP stated that is a big project but can the lines of sight for BCH come to committee earlier than next September. JH stated it can be brought forward although there may be another area such as HMICFRS recommendations where we can see the lines of sight. JP stated that the conundrum of BCH continues to be an issue for the committee.</p> <p>ML stated she is working with LM to gather terms of reference and can look at a thematic area once the information has been gathered. JP stated it is highly complex. DP stated that he understands the request and will ensure ML is given the capacity to look at this. ML stated she is aware there are a lot of changes happening currently in BCH. JP stated this will provide a better comprehensive understanding of BCH. AG thanked ML for her work stating he has tried for the last eight years to understand the lines of responsibility in a complex landscape.</p>
	<p>Resolved:</p> <ul style="list-style-type: none"> <li>(i) The Committee noted the reports.</li> <li>(ii) BCH Governance diagram to be produced for next committee meeting.</li> </ul>
8.	CIPFA Position Statement 2022
	<p>JP stated he wanted the committee to be aware of the CIPFA position statement and guidance. There may be lessons to be learnt within the documents and these will be useful for the annual review and management can use for their view point.</p>
	<p>Resolved:</p>

	(i) The committee noted the update.
9.	Annual VfM Statement
	<p>JL stated the Constabulary have a VfM Strategy that says it will report annually on activity undertaken. The report is brought to the committee for consideration and JL is happy for any observations, questions or comments and anything to be considered for the 25/26. The report also forms part of the audit evidence to KPMG.</p> <p>JL noted that positive independent assurance had been received as part of the external audit process. The PEEL assessment by HMICFRS had reported two areas for improvement (AFI), one of these has been closed. The responding to the public has had a lot of work undertaken in this area and performance has improved and we anticipate this AFI will be closed by HMICFRS in due course.</p> <p>The report outlines the budget savings managed by the Constabulary SLT including BCH savings and savings through Blue Light Commercial and 7F Commercial. JL outlined the capital projects of Milton which had a robust construction contract in place is on track to open in Spring 2026. For transparency the BCH Specialist Training facility (Monks Wood) which has ceased and is not considered VfM has been included in the report.</p>
	<p>Resolved</p> <p>(i) The committee noted the report.</p>
10.	Treasury Management Mid-Year Review 2025/26
	<p>PT stated this is one of the required reports that come to the committee. It shows a steady state and provides an update on the Strategy. There is a lot of macro detail contained within the report. The headlines are borrowing is lower than the strategy outlined as we are not going ahead with Monks Wood. This is a key change as this has reduced capital spend and borrowing and the capital finance requirement has dropped due to this change. We have received more interest than we expected. We continue to maintain robust management on borrowing and borrow as late as we can and on a short term basis so we are not locked into the higher borrowing rates.</p>

	<p>JP stated there is a lot of information in the report and the management narrative helps put the paper into context.</p> <p>AR asked in Appendix 4 what is the reason the capital spend has dropped and the increase in capital receipts. PT answered the drop is due to the Monks Wood project ceasing. He asked AR to email him outside of the meeting to discuss.</p>
	<p>Resolved</p> <p>(i) The committee noted the report.</p>
11.	Review of Forward Work Plan 2026
	<p>JP stated that NL had pulled together a future workplan with all future dates included. This includes two development sessions and one full day face to face session where the members can get an introduction to policing to aid their understanding.</p>
	<p>Resolved</p> <p>(i) The committee noted the report.</p>
12.	AOB
	<p>JP noted that this is AG's last meeting and that he had been a member of all of BCH committees and thanked him for his eight years of diligence.</p> <p>JH thanked AG on behalf of the OPCC and stated AG had provided useful feedback over the years and that his feedback has helped us to improve through the way he has challenged us.</p> <p>JP stated that the committee and auditors had discussed the necessity of a meeting every time and have concluded that an annual meeting is all that is required and if necessary, an adhoc meeting can be convened. JP asked that 15 minutes be added to the main meetings scheduled.</p> <p>JP informed the committee that subject to vetting two members have been recruited and asked that the next meeting be in person so the new members can meet everybody in person.</p>
	Resolved

	<ul style="list-style-type: none"> <li>(i) NL to amend meetings with Auditors on workplan.</li> <li>(ii) NL to amend meetings to increase time by 15 minutes.</li> <li>(iii) NL to arrange for the next meeting to be in person.</li> </ul>
	Date of Next Meeting
	The next meeting will be held on Wednesday 25 February 2026 at 10.30 hours.
	<p>Scheduled Meeting Dates</p> <p>Thursday 28 May 2026 at 10.30 hours</p> <p>Thursday 3 September 2026 at 10.30 hours</p> <p>Thursday 26 November 2026 at 10.30 hours</p> <p>Thursday 21 January 2027 at 10.30 hours</p>