JAC

Joint Audit Committee

MINUTES

Thursday 24th July 2025	14:00hrs – 15:30hrs	MS Teams

PRESENT:

Paul Smith (PS)	**Chair, Independent Member**
Jonathan Flowers **(JF)**	Independent Member
Andrew Godman **(AG)**	Independent Member
Lola Adedoyin **(LA)**	Independent Member
James Cook **(JC)**	ACO (Resources), Hertfordshire Constabulary
Mike Jarvis **(MJ)**	Director of Finance, Hertfordshire Constabulary
James Kidd **(JK)**	Head of Finance, Hertfordshire Constabulary
Clive Oakley **(CO)**	Head of ICT Service Design, Hertfordshire Constabulary
Claire Boot **(CB)**	Operations Manager, Hertfordshire Constabulary
Yvonne Gaylard-Hall	Admin, Hertfordshire Constabulary
Ian Rooney **(IR)**	Chief Finance Officer - OPCC
Sandra Coughlan **(SC)**	OPCC
Jamil Khan **(JK)**	RSM
Richard Lee **(RL)**	KPMG
Gemma Farley **(GF)**	Hampshire County Council
Daniel O'Rourke **(DO)**	Hampshire County Council

APOLOGIES:

Jill Lanham	Director of ICT, Hertfordshire Constabulary

PART 1 – Open

1. **WELCOME & APOLOGIES**

   Paul Smith welcomed attendees to the meeting. Apologies were noted as above, and the meeting was declared quorate.

2. DECLARATIONS OF INTEREST

None declared.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting was accepted with a small amendment to Andrew Boutflower's representation (from Independent Member to Hampshire County Council).

4. ACTION TRACKER

The action tracker was reviewed with actions 154 and 156 being closed and 157-8 being held over until October when they are due.

5. TREASURY MANAGEMENT REPORT

Daniel O'Rourke presented the treasury management report, highlighting that all activities complied with the agreed strategy and relevant legislation. The report covered the outturn position for 2024/25 and included prudential indicators for Q1 2025/26, noting a reduction in net investments and an increase in internal borrowing due to capital financing requirements. Daniel O'Rourke explained that most new borrowing was short-term from other local authorities due to unattractive long-term rates, with a small portion taken from the PWLB when rates were favourable. The approach provides flexibility to switch to long-term borrowing when market conditions improve, and the increase in investments was attributed to cash from borrowing held in short-term deposits.

Jonathan Flowers questioned the risk of relying on short-term borrowing and the criteria for moving to long-term debt. Daniel O'Rourke and Ian Rooney clarified that decisions are made in consultation with treasury advisors, monitoring market trends and interest rate forecasts, and that current short-term borrowing is structured to mature in tranches, allowing flexibility to respond to rate changes.

Daniel O'Rourke confirmed that the PCC was compliant with all prudential indicators for both the outturn and Q1 positions. Amendments to debt limits were discussed, with Ian Rooney noting that changes allow for operational flexibility without increasing overall limits, and that these adjustments reflect new accounting requirements for leases.

Committee Recommendations: Paul Smith summarised that the committee noted compliance with indicators and supported the proposed revisions to operational boundaries and borrowing limits, agreeing to recommend these changes to the PCC for decision.

6. EXTERNAL AUDIT - KPMG

Richard Lee introduced himself as the new KPMG Audit Director taking over from Katie Henry, who will be on maternity leave, and that both will work together during the current audit cycle to ensure continuity and knowledge transfer.

Richard described ongoing planning with the finance team, including monthly catchups and efforts to align with local government reporting timelines, aiming for timely completion of the annual report and accounts.

Paul Smith and Jonathan Flowers agreed to schedule private sessions between the audit committee and external auditors to facilitate open discussion.

7. INTERNAL AUDIT – RSM

Jamil Khan presented the internal audit annual report, summarised audit opinions, progress on management actions, and updates to the audit plan, with James and Andrew clarifying the rationale for deferring certain audits and confirming the finalisation of the plan.

Jamil reported an 'adequate with enhancements' opinion for the year, based on most audits being positive, and a strong follow-up on management actions, with 22 out of 24 actions implemented or superseded.

Jamil noted that the Cyber Assets audit remains in draft due to alignment with national guidance, and that two audits (medium term financial planning and grants/commissioning) were deferred to future years due to resource constraints.

Jamil summarised the Payments and Creditors audit, which found controls to be generally well designed and applied, with reasonable assurance given and some recommendations for improvements in goods receipting and supplier amendments.

Lola Adedoyin requested more timely access to RSM's Emergency Services Briefings, and Jamil agreed to add her and other members of the committee to the distribution list for future updates.

Next Meeting: Thursday 23rd October 2025 at 14:00