



Internal Audit

FINAL

Police and Crime Commissioner for Gwent and Chief Constable Gwent Police

Internal Audit Annual Report

2022/23

September 2023

Internal Audit Annual Report

Introduction

This is the 2022/23 Annual Report by TIAA on the internal control environment at Police and Crime Commissioner for Gwent and Chief Constable Gwent Police. The annual internal audit report summarises the outcomes of the reviews we have carried out on the organisation’s framework of governance, risk management and control. This report is designed to assist the Police and Crime Commissioner for Gwent and Chief Constable Gwent Police in making its annual governance statement.

Our approach is based on the International Standards for the Professional Practice of Internal Auditing which have been developed by the Institute of Internal Auditors (IIA) and incorporate the Public Sector Internal Audit Standards (PSIAS). In 2022, TIAA commissioned an External Quality Assessment (EQA) of its internal audit service. The independent EQA assessor was able to conclude that TIAA ‘generally conforms to the requirements of the Public Sector Internal Audit Standards and the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF).’ ‘Generally conforms’ is the highest rating that can be achieved using the IIA’s EQA assessment model.

Ongoing quality assurance work was carried out throughout the year, and we continue to comply with ISO 9001:2015 standards. Our work also complies with the IIA-UK Professional Standards.

HEAD OF INTERNAL AUDIT’S ANNUAL OPINION

I am satisfied that sufficient internal audit work has been undertaken to allow me to draw a positive conclusion as to the adequacy and effectiveness of the Police and Crime Commissioner’s and the Chief Constable’s risk management, control and governance processes. In my opinion, the Police and Crime Commissioner and the Chief Constable have adequate and effective management, control and governance processes in place to manage the achievement of their objectives.

This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on the ongoing financial viability or your ability to meet financial obligations which must be obtained by the Office of the Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police from its various sources of assurance.

Internal Audit Planned Coverage and Output

The 2022/23 Annual Audit Plan approved by the Joint Audit Committee was for 135 days of internal audit coverage in the year.

No changes have been made to the audit plan to date other than to proposed timings of the audits.

The planned work that has been carried out against the plan and the status of work not completed is set out at Annex A.

Assurance

TIAA carried out 17 reviews, 14 of which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Police and Crime Commissioner for Gwent and Chief Constable Gwent Police objectives. Three reviews were undertaken that were advisory and did not provide an audit opinion. A Follow Up review was also performed. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	12	12
Reasonable Assurance	1	6
Limited Assurance	1	0
No Assurance	0	0

The areas on which the assurance assessments have been provided can only provide reasonable and not absolute assurance against misstatement or loss and their effectiveness is reduced if the internal audit recommendations made during the year have not been fully implemented.

We made the following total number of recommendations on our audit work carried out in 2022/23. The numbers in brackets relate to 2021/22 recommendations.

Urgent	Important	Routine
4 (0)	14 (11)	15 (12)

Audit Summary

Control weaknesses: There were no areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited' or 'no assurance.'

Recommendations Made: We have analysed our findings/recommendations by risk area, and these are summarised below.

Risk Area	Urgent	Important	Routine
Directed			
Governance Framework	0 (0)	2 (3)	5(2)
Risk Mitigation	0 (0)	0 (0)	2 (1)
Compliance	4 (0)	12 (6)	5 (7)
Delivery			
Performance Monitoring	0 (0)	0 (2)	0 (1)
Sustainability ***	0 (0)	0 (0)	1 (0)
Resilience	0 (0)	0 (0)	2 (1)
*** The Root Cause Indicators changed in 2023/24 from Financial Constraints to Sustainability			

Operational Effectiveness Opportunities: One of the roles of internal audit is to add value and during the financial year we provided advice on opportunities to enhance the operational effectiveness of the areas reviewed and the number of these opportunities is summarised below.

Operational
15 (8)

Independence and Objectivity of Internal Audit

There were no limitations or restrictions placed on the internal audit service which impaired either the independence or objectivity of the service provided.

Performance and Quality Assurance

The following Performance Targets were used to measure the performance of internal audit in delivering the Annual Plan.

Performance Measure	Target	Attained
Completion of Planned Audits	100%	100%
Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	100%
Compliance with Public Sector Internal Audit Standards	100%	100%

Liaison with External Audit

During the year TIAA has met regularly with Audit Wales, including attending the Police Practitioner Group meetings where updates have been provided on progress on the audit work being undertaken.

In addition, TIAA has provided a response to the audit enquiries letter which forms part of the planning process for the 2023/24 financial statements.

Release of Report

The table below sets out the history of this Annual Report.

Date Draft Report issued:	19 th July 2023
Date Final Report issued:	4 th September 2023

Annexes

Annex A

Actual against planned Internal Audit Work 2022/23

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Collaborative					
Data Quality	Assurance	7	7	Not Applicable – Appraisal Review	
HR – Use of OLEEO	Assurance	5	5	Reasonable	
Uncertainty Management – Mitigating Risk	Assurance	5	5	Substantial	
Expenses and Additional Payments	Compliance	5	5	Substantial	
Payroll	Assurance	7	7	Substantial	
Creditors	Assurance	5	5	Substantial	
Fixed Assets	Assurance	5	5	Substantial	
Capital Programme	Assurance	6	6	Substantial	
Counter-Fraud (Anti-Fraud Procurement)	Assurance	7	7	Substantial	
Fleet Management – Strategy	Assurance	4	4	Substantial	
Fleet Management – iR3 Telematics System- Collaborative	Assurance	4	4	Not Applicable – Appraisal Review	Title changed from ‘Fleet Management: Repairs and Maintenance’
Police and Crime Commissioner for Gwent and Chief Constable Gwent Police					
Contract Management	Assurance	6	6	Not Applicable – Appraisal Review	
Social Media	Assurance	7	7	Substantial	
General Ledger	Assurance	5	5	Substantial	
Service Improvement Board	Assurance	8	8	Substantial	
Estates Strategy	Assurance	7	7	Substantial	
Local Policing -Property and Cash	Assurance	6	6	Limited	
Follow Up	Follow Up	10	10	N/A	

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Liaison with Audit Wales	Management	2	2	N/A	
Contingency	N/A	1	-	N/A	
Annual Planning	Management	4	4	N/A	
Annual Report	Management	4	4	N/A	
Audit Management	Management	15	15		
	Total days	135	134		