



Internal Audit

FINAL

Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police

Summary Internal Controls Assurance (SICA) Report

2022/23

February 2023

Summary Internal Controls Assurance

Introduction

1. This summary controls assurance report provides the Joint Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police as at 20th February 2023.

TIAA’s Conformance to the IIA Standards and Codes of Practice

2. TIAA Limited commissioned an External Quality Assessment (EQA) of its internal audit services in 2022. An EQA is required every five years, in line with the requirements of the International Professional Practices Framework (IPPF) and the Standards set by the Global Institute of Internal Auditors (IIA). The independent EQA considered our conformance with the IPPF and the Standards and also the Public Sector Internal Audit Standards (PSIAS), which govern internal audit in the public sector.

Our independent EQA was undertaken by a senior partner at Chiene + Tait, a long-established and high-quality accountancy firm headquartered in Edinburgh with offices in Scotland and London. The review assessed TIAA’s internal audit methodology and delivery against the Core Principles, the Code of Ethics and the Standards. It took into account our comprehensive framework, our guiding policies, organisational culture, planning and delivery, investment in our people, tools and techniques and our quality assurance framework, including feedback from clients.

We are pleased to confirm that 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. It was also noted that there were no areas of non-conformance or partial conformance with the Standards.

TIAA was also complimented on the standard of documentation provided which enabled them to form a positive conclusion.

Audits completed since the last SICA report to the Joint Audit Committee

3. The table below sets out details of audits finalised since the previous meeting of the Joint Audit Committee.

Audits completed since previous SICA report.

| Review | Evaluation | Key Dates | | | Number of Recommendations | | | |
|---------------------------------------|-------------|---------------------------------|-------------------------------|-------------------------------|---------------------------|---|---|-----|
| | | Draft issued | Responses Received | Final issued | 1 | 2 | 3 | OEM |
| Capital Programme | Substantial | 2 nd December 2022 | 4 th January 2023 | 5 th January 2023 | - | - | - | - |
| Expenses and additional Payments | Substantial | 23 rd September 2022 | 12 th January 2023 | 16 th January 2023 | - | - | 2 | - |
| Risk Management – Mitigating Controls | Substantial | 2 nd December 2022 | 12 th January 2023 | 16 th January 2023 | - | - | 1 | 1 |
| Creditors | Substantial | 9 th November 2022 | 24 th January 2023 | 24 th January 2023 | - | - | - | - |
| General Ledger | Substantial | 25 th January 2023 | 25 th January 2023 | 26 th January 2023 | - | - | - | - |

4. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress against the 2022/23 Annual Plan

5. Our progress against the Annual Plan for 2022/23 is set out in Appendix A.

Progress in actioning priority 1 recommendations

6. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA.

Root Cause Indicators

7. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police. Each recommendation made is analysed to establish the underlying cause of the issue giving rise to the recommendation (RCI). The analysis needs to be considered over a sustained period, rather than on an individual quarter basis. Percentages, rather than actual number of reviews/recommendations made permits more effective identification of the direction of travel. A downward arrow signifies a positive reduction in risk in relation to the specific RCI since the previous quarter.

RCI – Direction of Travel Assessment

| Root Cause Indicator | 2021/22 | Qtr. 1 (2022/23) | Qtr. 2 (2022/23) | Qtr. 3 (2022/23) | Qtr. 4 (2022/23) | Medium term Direction of Travel | Audit Observation |
|------------------------|----------|---------------------|---------------------|---------------------|---------------------|---------------------------------------|--|
| Directed | | | | | | | |
| Governance Framework | 22% (5) | - | - | 33.3% (1) | | ↑ | Few recommendations raised therefore insufficient data to review trends. |
| Risk Mitigation | 4% (1) | - | - | 33.3% (1) | | ↑ | |
| Control Compliance | 57% (13) | 100% (1) | - | 33.3% (1) | | ↑ | |
| Delivery | | | | | | | |
| Performance Monitoring | 13% (3) | - | - | - | | ↔ | |
| Financial Constraint | - | - | - | - | | ↔ | |
| Resilience | 4% (1) | - | - | - | | ↔ | |

Frauds/Irregularities

8. We have not been advised of any frauds or irregularities in the period since the last SICA report was issued.

Other Matters

9. We have issued a number of briefing notes and fraud digests, shown in Appendix B, since the previous SICA report. The actions taken by Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police are summarised below:

| Briefing Note |
|---|
| Government sets out plans to protect public places from terrorist attacks |
| Anti-Crime Alert |
| Fake invoices in circulation for payment of office supplies |
| Security Camera Risk |
| Vigilance with staff identity checks |

Responsibility/Disclaimer

10. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Progress against Annual Plan

| System | Planned Quarter | Current Status | Comments |
|--|-----------------|---|--|
| Vehicle Recovery | 1 | Fieldwork undertaken w/c 16 th January 2023 | Was previously Contract Management – changed to Q4 |
| Social Media | 2 | Final report issued 22 September 2022 | Presented to October 2022 JAC |
| General Ledger | 2 | Final report issued 26 th January 2023 | |
| Service Improvement Board | 2 | Fieldwork ongoing | Changed to Q4 |
| Follow Up - Mid Year | 2 | Fieldwork complete | Draft report due shortly |
| Estates Strategy | 3 | Fieldwork ongoing | Changed to Q4 |
| Local Policing – Property and Cash | 3 | Proposed date 13 th March 2023 | |
| Follow Up – Quarter 4 | 4 | Planned March 2023 | |
| Contingency | 1-4 | N/A | |
| Collaborative Audits | | | |
| Data Quality | 1 | Draft report issued 21 st February 2023 | |
| Expenses and Additional Payments | 2 | Final report issued 16 th January 2023 | |
| Uncertainty Management – Mitigating Risk | 2 | Final report issued 16 th January 2023 | |
| Fixed Assets | 2 | Proposed date 28 th February – 17 th March 2023 | Dates to be confirmed with each of the 4 forces. |
| Creditors | 2 | Final report issued 9 th November 2022 | |
| Payroll | 3 | Draft report issued 20 th February 2023 | |
| Capital Programme | 3 | Final report issued 5 th January 2023 | |
| Counter Fraud (Anti-Fraud Procurement) | 3 | Draft report issued 4 th February 2023 | |
| Fleet Management – Repairs and Maintenance | 3 | Draft report issued 6 th January 2023 | |

| System | Planned Quarter | Current Status | Comments |
|-----------------------------|-----------------|--|---|
| Fleet Management - Strategy | 3 | Draft report issued 24 th November 2022 | |
| HR – Use of OLEOO | 4 | Proposed date 30 th April 2023 | Review delayed at request of the lead Force (NWP) |
| Annual Plan | 1 | Final plan issued 22 nd May 2022 | |
| Annual Report | 4 | | |
| Management | 1-4 | | |

KEY:

| | | | | | | | |
|--|-----------------|--|---------------------|--|---------------------|--|---------------------|
| | To be commenced | | Site work commenced | | Draft report issued | | Final report issued |
|--|-----------------|--|---------------------|--|---------------------|--|---------------------|

Briefings on developments in Governance, Risk and Control


TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Anti-Crime which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those CBNs and Anti-Crime Alerts issued in the last three months which may be of relevance to Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police is given below. Copies of any CBNs are available on request from your local TIAA team.

Summary of recent Client Briefing Notes (CBNs)

| Date Issued | CBN Ref | Sector | Subject | Status | TIAA Comments |
|-------------|---------|--------|---|--------|--|
| 27/01/2023 | 23002 | ALL | Government sets out plans to protect public places from terrorist attacks | | <p>Action Required:</p> <p>Organisations should ensure they are aware of the new regulations regarding public safety and to review their existing emergency plans frequently.</p> |

Summary of recent Fraud Alerts

| Date Issued | Subject | Status | TIAA Comments |
|---------------|---|--------|--|
| January 2023 | Fake invoices in circulation for payment of office supplies | | <p>Action Required</p> <p>This alert provides information and advice to staff about fraud and economic crime, and the risks associated with it. If you think that your organisation has been a victim of invoice fraud, contact your Anti-Crime Specialist immediately for advice</p> |
| December 2022 | Security Camera Risk | | <p>Action Required</p> <p>It is recommended that an urgent action be undertaken that clients review their CCTV provider, the cameras and systems installed and to consider replacing their existing cameras if they are either of the mentioned banned companies or to at least ensure the cameras are not on an accessible (even via hacking) network.</p> |

| Date Issued | Subject | Status | TIAA Comments |
|---------------|--------------------------------------|--|---|
| December 2022 | Vigilance with staff identity checks |  | <p>Action Required</p> <p>This alert provides information and advice to staff about security risks.</p> <ul style="list-style-type: none"> • Carry out identity checks and introduce new staff to teams. • Wear your identity card lanyard and if lost, report it immediately • Keep your identity card secure when not in use. • Contact your TIAA Local Security Management Specialist for further crime prevention advice |