



Police and Crime Commissioner for Gwent and Chief Constable  
Gwent Police

Indicative Audit Strategy 2023/26 and Annual Plan 2023/24

2023/24

June 2023

FINAL



## OVERVIEW

### Introduction

The Audit Plan for 2023/24 has been informed by a risk assessment carried out across our police clients and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks, and that the coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

### Key Emerging Themes

This year will continue to be another challenging year for police forces in terms of the macroeconomic and financial environment, spiralling costs and the labour market. We have identified a number of key areas which will individually and collectively affect the sector in various ways; these require consideration when planning internal audit coverage.

**Macroeconomic and financial environment:** The UK economy has experienced a sequence of significant events including Brexit, the pandemic and the conflict in Ukraine. Further challenges lie ahead as the government seeks to cut spending and raises taxes to plug the gap in the UK's finances. Rapid and increasingly prolonged inflation, rising interest rates, shortages in the labour market and continuing supply chain disruption are leading to increased costs and a challenging financial situation for many.

**Increasing wage demands:** One of the consequences of the economic situation is demands for significant pay increases to help combat the effect of inflation and a perceived lack of pay progression for over a decade. This has seen strike action taking place or planned by rail workers, postal workers, lecturers, bus drivers and nurses. This will put pressure on organisational budgets and present challenges in recruitment.

**Cyber security:** This continues to be one of the highest ranked risks for organisations and shows no sign of going away. The widespread move to remote working and increased online service delivery has made organisations more vulnerable to phishing, malware, and ransomware attacks, particularly where there has been a lack of investment in infrastructure.

**Climate change:** Global warming can lead to physical, operational, financial and reputational risks arising. 'Loss and damage' - the phrase used to describe the destruction being wrought by the climate crisis - will remain high on the agenda. Aside from the obvious environmental impact, climate change can stress local economies, threaten business models and pose widespread disruption to organisations.

**Vetting:** HMICFRS' inspection into police vetting in the wake of the Sara Everard case found that it was falling well below the standards required. It identified that cultural shortcomings were prevalent in all of the forced inspected and warning signs that were not acted upon. The report is long and comprehensive and contains 43 recommendations and five areas for improvement. The deadlines for implementation of the recommendations are relatively tight, being April and October 2023.

### Adequacy of the planned audit coverage

The reviews identified in the audit plan for 2023/24 support the Head of Internal Audit's annual opinion on the overall adequacy and effectiveness of PCC (Police and Crime Commissioner) and the Chief Constable's (henceforth termed 'Gwent Police') framework of governance, risk management and control as required by TIAA's charter. The reviews have been identified from your assurance framework, risk registers and key emerging themes.

# INTERNAL AUDIT PLAN

## Audit Strategy Methodology

We adopt a proprietary risk-based approach to determining your audit needs each year which includes reviewing your risk register and risk management framework, the regulatory framework, external audit recommendations and previous internal audit work for the organisation, together with key corporate documentation such as your business and corporate plan, standing orders, and financial regulations. For 2023/24, we have conducted an analysis of the key risks facing the sector and client base more broadly to inform our annual planning. The Audit Strategy is based predominantly on our understanding of the inherent risks facing Gwent Police and those within the sector and has been developed with senior management and Committee.

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.

## Risk Prioritisation

Each year an updated risk assessment is carried out to ensure the Audit Strategy remains fully aligned with the key risks facing Gwent Police. We take in to account any emerging or heightened risks that are facing the sector, to ensure that the work of internal audit remains appropriately focused. Links to specific strategic risks are also contained in the Internal Audit Strategy.

## Internal Audit Strategy and Plan

Following the risk prioritisation review, the Audit Strategy has been produced (Appendix A) and the Annual Plan (Appendix B) sets out the reviews that will be carried out, the planned times and the high-level scopes for each of these reviews.

The Annual Plan will be subject to ongoing review and could change as the risks change for the organisation and will be formally reviewed with senior management and the Joint Audit Committee mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of each assignment within the Annual Plan includes: research; preparation and issue of terms of reference; site work; production and review of working papers; and reporting.

The Annual Plan has been prepared on the assumption that the expected controls will be in place.

The total number of days required to deliver the Audit Plan is as agreed in the contract between TIAA and Gwent Police. This number of days is fixed and it is TIAA’s responsibility to deliver the Audit Plan for this number of days. Where Gwent Police agrees additional work the required number of days and the aggregate day rate will be agreed in advance with the Gwent Police and will be clearly set out in the terms of reference for the additional review(s).

## Release of Report

The table below sets out the history of this plan.

<b>Date plan issued:</b>	14 <sup>th</sup> February 2023
<b>Date revised plan issued:</b>	5 <sup>th</sup> June 2023

<b>Date Final plan issued:</b>	19 <sup>th</sup> June 2023
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## APPENDIX A: ROLLING STRATEGIC PLAN

Review Area	Type	Last review date and assurance	2023/24	2024/25	2025/26
<b>Governance</b>					
Business Continuity Recovery Planning	Assurance	2021/22		10	
Strategic Planning	Assurance	Pre 2019/20	8		
Risk Management	Compliance	2022/23	**	5	5
<b>ICT reviews are carried out by Torfaen County Borough Council</b>					
<b>Finance</b>					
Budgetary Control	Assurance	2021/22	5		
General Ledger	Assurance	2022/23		5	
Payroll	Assurance	2022/23	**	6	6
Creditors	Assurance	2022/23	**	6	6
Debtors	Assurance	2021/22	**		6
Pensions	Assurance	2021/22	5		
Expenses and Additional Payments	Assurance	2022/23	5		5
Treasury Management	Assurance	2021/22	**		
Fixed Assets	Assurance	2022/23			5
Capital Programme	Assurance	2022/23		5	
Counter-Fraud	Compliance	2022/23	**	10	10
<b>Operational Review</b>					
Estates Management – Strategy	Compliance	2022/23		7	7
Estates Management - Delivery	Compliance	2021/22	7		
Fleet Management Repairs and Maintenance	Compliance	2019/20			5
Fleet Management – IT3 Telematics	Appraisal	2022/23	**		
Contract Management	Assurance	2022/23	6	6	6
Local Policing – Property and Cash (2023/24 - Proceeds of Crime Act 2002 (POCA))	Compliance	2022/23	6	6	6
Vetting	Compliance	2021/22		6	

Review Area	Type	Last review date and assurance	2023/24	2024/25	2025/26
Service Improvement Board	Assurance	2022/23	10	10	8
Social Media	Assurance	2022/23			7
<b>Organisation Review</b>					
HR Management – Recruitment and Training	Assurance	2021/22	**		
HR Management – Absence Management	Assurance	2021/22		7	
HR Management – Strategy	Assurance	Pre 2019/20		6	
<b>Office of the Police and Crime Commissioner</b>					
Complaints Handling (OPCC)	Assurance	N/A	4		
Commissioning	Assurance	N/A	7		
<b>Collaborative Reviews</b>					
Risk Management (Lead Force: Gwent)	Compliance	2022/23	5	5	5
Payroll (Lead Force: North Wales)	Assurance	2022/23	6		
Debtors (Lead force: Dyfed-Powys)	Assurance	2021/22	6		
Counter-Fraud (Lead Force: North Wales)	Compliance	2022/23	6		
Telematics (Lead Force: South Wales)	Assurance	2022/23	4		
Creditors (Lead Force: Dyfed-Powys)	Assurance	2022/23	6		
Treasury Management (Lead Force: North Wales)	Assurance	2021/22	5		
HR Management – Recruitment and Training (Lead Force: South Wales)	Assurance	2021/22	6		
Joint Scientific Investigation Unit (Gwent Police and South Wales Police)	Assurance	N/A	6		
Data Protection Act (Gwent Police and South Wales Police)	Assurance	Pre 2019/20	6		
Firearms Licencing (Gwent Police and South Wales Police)	Assurance	2021/22	6		
Information Disclosures (Gwent Police and South Wales Police)	Assurance	N/A	6		
<b>Management and Planning</b>					
Follow Up	Follow Up	2022/23	10	10	10
Liaison with Audit Wales			2	2	2
Contingency			-	-	13
Annual Planning	-		4	4	4

Review Area	Type	Last review date and assurance	2023/24	2024/25	2025/26
Annual Report	-		4	4	4
Audit Management	-		15	15	15
<b>Total Days</b>			<b>166</b>	<b>140</b>	<b>135</b>

Note: \*\* Denotes included as a collaborative review

Key to assurance ratings:

Substantial Assurance
Reasonable Assurance
Limited Assurance
No Assurance
Advisory

## APPENDIX B: COLLABORATIVE ANNUAL PLAN – 2023/24

Quarter	Review	Type	Days	High-level Scope
<b>Four force collaborations</b>				
2	Data Protection Act (Gwent Police and South Wales Police)	Assurance	6	<p>The review considers compliance with the Data Protection Act 2018 incorporating the General Data Protection Requirement including the policies, procedures and systems in place.</p> <p><b>All four forces.</b></p> <p><b>Lead force: Gwent Police</b></p>
3	Payroll	Assurance	6	<p>The review considers the arrangements for: the creation, amendment and deletion of payroll records accurately and on a timely basis; payment of allowances and pay awards; collection of overpayments; and payment of salaries. The review will also consider the arrangements for reviewing the payroll prior to authorisation including the review of exception reports and pay variations. The scope of the review does not include determination of salary scales, the HR arrangements for appointment and removal of staff, severance payments or reimbursement of travel and subsistence expenses, or pension arrangements.</p> <p><b>All four forces.</b></p> <p><b>Lead force: North Wales Police</b></p>
3	Debtors	Assurance	6	<p>The review considers the raising of debtor accounts, collection of income, receipting, storage and banking of income received by the organisation. The scope of the review does not include identification of the activities giving rise to income for the organisation, the basis of calculating the rates to be charged or that all income receivable has been identified.</p> <p><b>All four forces</b></p> <p><b>Lead Force: Dyfed-Powys Police</b></p>
3	Counter Fraud	Assurance	6	<p>The review considers the robustness of the organisation’s internal Anti-Fraud policy and associated policies in providing mitigation against fraud and/or the impact of fraud. In addition, the review will test for potential significant fraud exposures due to non-compliance with the Force’s procurement arrangements and/or inadequate or ineffective segregation of duties. The scope of the review will not include identification of all potential fraudulent transactions.</p> <p><b>All four forces</b></p> <p><b>Lead Force: North Wales Police</b></p>
4	Telematics	Assurance	4	<p>Further to the audit undertaken in 2022/23 the review will consider the use and effectiveness of iR3 – Police Fleet Management System including the reporting of performance. The review will not comment on the accuracy of reported efficiencies obtained through use of the system.</p> <p><b>All four forces.</b></p> <p><b>Lead force: South Wales Police</b></p>

Quarter	Review	Type	Days	High-level Scope
<b>Three force collaboration</b>				
2	Creditors	Assurance	6	<p>The review considers the arrangements for reviewing and authorising and paying costs incurred by the organisation and the arrangement for control of the organisation's cheques and automated payments. The review will consider the management of amendments to supplier standing data, including the verification of requests for change of bank details. The allocation and use of procurement cards will also be considered including the month end reconciliation to statements. The scope does not include providing an assurance that the expenditure was necessary or that value for money was achieved from the expenditure committed.</p> <p><b>The three forces are South Wales Police, Gwent Police and Dyfed Powys Police</b>  <b>Lead force: Dyfed Powys Police</b></p>
3	Treasury Management	Assurance	5	<p>The review considered the arrangements for controlling the investment and borrowing arrangements; compliance with the organisation's overall treasury management policy; reconciliations; and treasury management reporting to committee. The scope of the review did not include consideration of the appropriateness of any individual financial institution or broker or of individual investment decisions made by the Organisation.</p> <p><b>The three forces are South Wales Police, Gwent Police and North Wales Police</b>  <b>Lead force: North Wales Police</b></p>
3	Risk Management	Compliance	5	<p>Two risks which are included in the organisation's Risk Register will be selected and the effectiveness of the identified controls will be reviewed. The review will also consider the effectiveness of mitigating actions on outcomes. The scope of the review does not include consideration of all potential mitigating arrangements.</p> <p><b>The three forces are Gwent Police, Dyfed Powys Police and North Wales Police</b>  <b>Lead force: Gwent Police</b></p>



Quarter	Review	Type	Days	High-level Scope
<b>Two force collaboration (Gwent Police and South Wales Police)</b>				
2	Joint Scientific Investigation Unit	Assurance	6	The review will consider the effectiveness of the collaboration between Gwent Police and South Wales Police. <b>The two forces are Gwent Police and South Wales Police.</b> <b>Lead force: South Wales Police</b>
3	Firearms Licencing (Gwent Police and South Wales Police)	Assurance	6	The review will assess compliance with the regulatory requirements and Force Policy for Firearms Licencing including: <ul style="list-style-type: none"> <li>• Review of Application/Renewal/issue of temporary licences/revocation;</li> <li>• Home and cold call and other Inspection processes for Registered Firearm Dealers (RFD's);</li> <li>• Review of dip sampling processes;</li> <li>• Processes for promoting surrender and managing weapons surrendered;</li> <li>• Review of the action taken by Firearms Licencing Department following a certificate holder coming to notice of the police;</li> <li>• Governance Arrangements.</li> </ul>
4	HR Recruitment and Training	Assurance	6	The scope of the audit will be agreed after consideration of work being undertaken by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). <b>The two forces are Gwent Police and South Wales Police.</b> <b>Lead force: South Wales Police</b>
4	Information Disclosures (Gwent Police and South Wales Police)	Assurance	6	The review will consider the arrangement in place to disclose information requested and provided under Freedom of Information, Subject Access Requests and Disclosure and Barring Service.
<b>Total days</b>			<b>68</b>	

## APPENDIX C: ANNUAL PLAN – 2023/24

Quarter	Review	Type	Days	High-level Scope
1	Strategic Planning	Assurance	8	The review considers the arrangements by which the Board and senior management groups ensure that the corporate plans for the organisation remain achievable in times of economic uncertainty. The scope of the review does not include consideration of the strategic control arrangements or the appropriateness of decisions taken by the Board.
1	Proceeds of Crime Act 2002 (POCA)	Compliance	6	The review will consider the administration and secure retention and release of cash seized under the Proceeds of Crime Act 2002 (POCA).
1	Complaints Handling (OPCC)	Assurance	4	The review will consider the arrangements in place within the Office of the Police and Crime Commissioner to record, acknowledge, respond, review and monitor those complaints that have been made against Gwent Police where the complainant is dissatisfied with the outcome. The review will ensure compliance with requirements set out in the Policing and Crime Act 2017, effective from February 2020. The audit will not comment on the decisions made.
2	Expenses and Additional Payments	Assurance	5	The review will check compliance with the expenses and additional payments policy and procedure. The scope of the review will not include any other aspect of the Payroll arrangements.
3	Budgetary Control	Assurance	5	The review considers the budget preparation process, the monitoring arrangements, and reporting to the Strategy and Performance Board. The scope of the review does not include consideration of the assumptions used in preparing the budgets; depreciation policies; apportionment of central costs; or financial information included in tenders prepared by the organisation.
3	Pensions	Assurance	5	The review considered the arrangements for the management and control of the administration of pensions.
3	Commissioning	Assurance	7	The review will consider the processes in place for identifying the need for commissioned services within the Office of the Police and Crime Commissioner, procurement of those services and determining and monitoring outcomes from the services commissioned.
4	Contract Management	Assurance	6	The review will consider the effectiveness of the contract management arrangements in relation to a selected contract. This will include consideration of financial management and administration, contractor performance, quality and monitoring of delivery.
4	Service Improvement Board	Appraisal	10	The review will consider the processes in place for effective delivery of the force's Efficiency Plan including identification of efficiencies, the governance arrangements for oversight of delivery and reporting of outcomes.
4	Estates Management - Delivery	Assurance	7	The review will consider the procurement, delivery and monitoring of the force's planned maintenance programmes.

Quarter	Review	Type	Days	High-level Scope
2	Follow Up - Interim	Follow Up	5	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the Organisation is implementing recommendations, and providing reports to the Joint Audit Committee.
4	Follow Up – Year End	Follow Up	5	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the Organisation is implementing recommendations, and providing reports to the Joint Audit Committee.
1-4	Collaborative Audits (Appendix B)	N/A	68	See Appendix B
1-4	Liaison with Audit Wales	Management	2	Days for allocation to collaborative audits or for use as required during the year.
1	Annual Planning	Management	4	Assessing the Police and Crime Commissioner and the Chief Constable’s annual audit needs.
4	Annual Report	Management	4	Reporting on the overall conclusions and opinion based on the year’s audits and other information and providing input to the Annual Governance Statement.
1 – 4	Audit Management	Management	15	This time includes: meeting client management, overseeing the audit plan, reporting and supporting the Joint Audit Committee, liaising with External Audit and Client briefings (including fraud alerts, fraud digests and committee briefings).
<b>Total days</b>			<b>166</b>	

## APPENDIX C: INTERNAL AUDIT CHARTER

### The Need for a Charter

The Audit Charter formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within Gwent Police and defines the scope of internal audit activities. The establishment of the Audit Charter is a requirement of the Public Sector Internal Audit Standards (PSIAS) and approval of the charter is the responsibility of the Joint Audit Committee.

### Definition of Internal Auditing

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

### The Role of Internal Audit

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the framework of governance, risk management and control. TIAA is responsible for providing assurance to Gwent Police's senior management and governing body (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of the risk management, control and governance processes.

### Standards and Approach

TIAA's work will be performed with due professional care, in accordance with the requirements of the PSIAS and the IIA standards which are articulated in the International Professional Practices Framework (IPPF).

### Scope

All Gwent Police's activities fall within the remit of TIAA. TIAA may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that Gwent Police's management has taken the necessary steps to achieve these objectives and manage the associated risks. It is not within the remit of TIAA to question the appropriateness of policy decisions; however, TIAA is required to examine the arrangements by which such decisions are made, monitored and reviewed.

As well as providing the required level of assurance, TIAA's may engage in consultancy activity that contributes to the overall assurance that can be delivered to the Joint Audit Committee.

TIAA may also conduct any special reviews requested by the Joint Audit Committee or the nominated officer (being the post responsible for the day-to-day liaison with TIAA), provided such reviews do not compromise the audit service's objectivity or independence, or the achievement of the approved audit plan.

### Access

TIAA has unrestricted access to all documents, records, assets, personnel and premises of Gwent Police and is authorised to obtain such information and explanations as they consider necessary to form their opinion. The collection of data for this purpose will be carried out in a manner prescribed by TIAA's professional standards, Information Security and Information Governance policies.

### Independence

TIAA has no executive role, nor does it have any responsibility for the development, implementation or operation of systems; however, it may provide independent and objective advice on risk management, control, governance processes and related matters, subject to resource constraints. For day-to-day administrative purposes only, TIAA reports to a nominated officer within Gwent Police and the reporting arrangements must take account of the nature of audit work undertaken. TIAA has a right of direct access to the chair of the board, the chair of the Joint Audit Committee and the responsible accounting officer (being the post charged with financial responsibility).

To preserve the objectivity and impartiality of TIAA's professional judgement, responsibility for implementing audit recommendations rests with Gwent Police's management.

### Conflict of Interest

Consultancy activities are only undertaken with distinct regard for potential conflict of interest. In this role we will act in an advisory capacity and the nature and scope of the work will be agreed in advance and strictly adhered to.

We are not aware of any conflicts of interest and should any arise we will manage them in line with TIAA's audit charter and internal policies, the PSIAS/IIA standards and Gwent Police's requirements.

### Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2002.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

### Limitations and Responsibility

Substantive testing will only be carried out where a review assesses the internal controls to be providing 'limited' or 'no' assurance with the prior approval of Gwent Police and additional time will be required to carry out such testing. Gwent Police is responsible for taking appropriate action to establish whether any loss or impropriety has arisen as a result of the control weaknesses.

Internal controls can only provide reasonable and not absolute assurance against misstatement or loss. The limitations on assurance include the possibility of one or more of the following situations, control activities being circumvented by the collusion of two or more persons, human error, or the overriding of controls by management. Additionally, no assurance can be provided that the internal controls will continue to operate effectively in future periods or that the controls will be adequate to mitigate all significant risks that may arise in future.

The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.

Reliance will be placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

The matters raised in the audit reports will be only those that come to the attention of the auditor during the course of the internal audit reviews and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. The audit reports are prepared solely for management's use and are not prepared for any other purpose.

**Liaison with the External Auditor**

We will liaise with Gwent Police’s External Auditor. Any matters in the areas included in the Annual Plan that are identified by the external auditor in their audit management letters will be included in the scope of the appropriate review.

**Quality Assurance**

TIAA recognises the importance of Internal Audit being controlled at each stage to ensure that we deliver a consistent and efficient Internal Audit service that is fully compliant with professional standards and also the conditions of contract. We operate a comprehensive internal operational quality review process to ensure that all Internal Audit work is carried out in accordance with these standards. These quarterly reviews are part of our quality management system which has ISO 9001:2015 accreditation.

**Joint Audit Committee Responsibility**

It is the responsibility of Gwent Police to determine that the number of audit days to be provided and the planned audit coverage are sufficient to meet the Committee’s requirements and the areas selected for review are appropriate to provide assurance against the key risks within the organisation.

By approving this document, the Joint Audit Committee is also approving the Internal Audit Charter.

**Reporting**

**Assignment Reports:** A separate report will be prepared for each review carried out. Each report will be prepared in accordance with the arrangements contained in the Terms of Reference agreed with TIAA and which accord with the requirements of TIAA’s audit charter and PSIAS/IIA standards.

**Progress Reports:** Progress reports will be prepared for each Joint Audit Committee meeting. Each report will detail progress achieved to date against the agreed annual plan.

**Follow-Up Reports:** We will provide an independent assessment as to the extent that priority 1 and 2 recommendations have been implemented. Priority 3 recommendations are low-level/housekeeping in nature and it is expected that management will monitor and report on implementation as considered appropriate.

**Annual Report:** An Annual Report will be prepared for each year in accordance with the requirements set out in TIAA’s audit charter and PSIAS/IIA standards. The Annual Report will include a summary opinion of the effectiveness of Gwent Police’s governance, risk management and operational control processes based on the work completed during the year.

**Other Briefings:** During the year Client Briefing Notes, Benchmarking and lessons learned digests will be provided. These are designed to keep the organisation abreast of in-year developments which may impact on the governance, risk and control assurance framework.

**Assurance Assessment Gradings**

We use four levels of assurance assessments as set out below.

<b>Substantial Assurance</b>	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
<b>Reasonable Assurance</b>	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
<b>Limited Assurance</b>	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
<b>No Assurance</b>	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

**Data Protection**

TIAA has policies, procedures and processes in place to comply with all associated regulation and legislation on information security, which is underpinned by mandatory annual awareness training for all staff. To carry out our role effectively, we need to obtain information that is reliable, relevant and sufficient to support our findings and recommendations. The collection of data, particularly sensitive personal data, is minimised and is not shared with unauthorised persons unless there is a valid and legal requirement to do so. We have clear policies on the retention of data and its appropriate, controlled disposal. TIAA has a fully robust Information Security Management System that meets all the requirements of ISO27001:2013.

**Disclaimer**

The matters raised in this planning report, along with those raised in our audit and annual reports, are only those that came to the attention of the auditor during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. 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. 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.

**Performance Standards**

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Performance Measure	Target
Completion of planned audits.	100%
Audits completed in time allocation.	100%
Draft report issued within 10 working days of exit meeting.	100%
Compliance with TIAA’s audit charter and PSIAS/IIA Standards.	100%