



Internal Audit

FINAL

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

Summary Internal Controls Assurance (SICA) Report

2023/24

March 2024

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 of 11th March 2024.

Tackling and Managing Fraud Risks

The Challenge

2. Everyone is under increasing financial pressure from the escalating costs of goods and services and increasing inflation leading to the current cost-of-living crisis. The knock-on effects of the pandemic, and the increase in remote working practices, linked with the escalating cost of living has increased the risk of opportunistic fraud against organisations. All organisations are at risk and will be targeted where weaknesses are identified. It is at times such as these where organisations have unfilled vacancies, positions filled by temporary employees, or where existing employees may be struggling with financial or emotional wellbeing that all organisations need to be more aware of the risks and take steps to keep their money, people and data safe.

Recently reported data shows that how some organisations in the UK have been affected by fraud over the last year and how they perceive their fraud risk.

58% - think the risk of fraud is going to increase over the next 12 months.

55% - of reported frauds were perpetrated by staff or volunteers.

40% - said hybrid working has increased the risk of fraud.

69% - experienced financial loss due to fraud.

Recommended Actions: To ensure your organisation is addressing this risk and putting in place measures to combat fraud risk, TIAA recommend that several key steps are taken to assess your organisation's exposure, ensure controls are effective and to safeguard should the worst happen.

- **Assign Responsibility:** to a suitably trained employee/Board Member to act as your organisation's Fraud Champion.
- **Train:** Line Managers and Board Members, on fraud risk awareness and managing concerns and, all employees on emerging fraud risk awareness.
- **Govern the risk:** by ensuring your organisation had developed a clearly written Anti-Fraud Policy and Response Plan.
- **Raise Awareness:** with all employees and Members of their responsibilities to protect your organisation's assets.
- **Identify and Record:** the specific types of fraud that are perceived to be a risk to your organisation and what steps are required to manage these.
- **Compliance Test:** at regular intervals, how well your recorded fraud prevention controls are working.
- **Undertake Checks:** on any individual or organisation with whom you have a financial relationship.

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
Strategic Planning	Substantial	06/10/2023	24/11/2023	29/11/2023	0	0	2	0
Commissioning *	Reasonable	18/10/2023	27/11/2023	01/12/2023	0	1	2	2
Information Disclosures (Gwent Police and South Wales Police)	Limited	30/10/2023	28/11/2023	04/12/2023	1	1	2	0
Risk Management	Reasonable	30/10/2023	24/11/2023	15/12/2023	0	5	2	0
Treasury Management	Substantial	17/11/2023	08/12/2023	18/12/2023	0	0	4	0
Budgetary Control	Substantial	15/12/2023	19/01/2024	22/01/2024	0	0	0	0
Creditors	Substantial	04/01/2024	22/01/2024	22/01/2024	0	0	0	2
Payroll	Substantial	12/01/2024	31/01/2024	01/02/2024	0	0	0	0
Firearms Licencing (Gwent Police and South Wales Police)	Substantial	15/12/2023	07/02/2024	08/02/2024	0	0	2	0
Debtors	Substantial	18/01/2024	07/02/2024	08/02/2024	0	0	0	1
Expenses and Additional Payments	Substantial	06/02/2024	07/02/2024	09/02/2024	0	0	1	0

* Issued as Final after production on the SICA in November 2023 but presented to JAC on 7th December 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 2023/24 Annual Plan

5. Our progress against the Annual Plan for 2023/24 is set out in Appendix A.

Progress in actioning priority 1 recommendations

6. There were no Urgent (Priority 1) recommendations (i.e. fundamental control issue on which action should be taken immediately) in the previous period. As shown one Urgent recommendation has been made in this period relating to Information Disclosures. The force provide ongoing updates on the progress of all recommendations to the Joint Audit Committee.

Frauds/Irregularities

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

Other Matters

8. We have issued a number of briefing notes and fraud digests since the previous SICA report, shown in Appendix B.

Responsibility/Disclaimer


9. 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 2023/24

System	Planned Quarter	Current Status	Comments
Collaborative			
Data Protection Act	2	Fieldwork commenced: 23/10/2023	All four forces. Lead force: Gwent Police Fieldwork completed February 2024 – draft report pending
Payroll	3	Final Report issued: 01/02/2024	All four forces. Lead force: North Wales Police Presented to JAC March 2024
Debtors	3	Final Report issued: 08/02/2024	All four forces. Lead Force: Dyfed-Powys Police Presented to JAC March 2024
Counter Fraud	3	Fieldwork commenced: 29/01/2024	All four forces. Lead Force: North Wales Police Draft report pending.
Telematics	4	Fieldwork commenced: 08/02/2024	All four forces. Lead force: South Wales Police Draft report pending.
Creditors	2	Final Report issued: 22/01/2024	The three forces are South Wales Police, Gwent Police and Dyfed Powys Police. Lead force: Dyfed Powys Police Presented to JAC March 2024
Treasury Management	3	Final Report issued: 18/12/2023	The three forces are South Wales Police, Gwent Police and North Wales Police. Lead force: North Wales Police Presented to JAC March 2024
Risk Management	3	Final Report issued: 15/12/2023	The three forces are Gwent Police, Dyfed Powys Police and North Wales Police. Lead force: Gwent Police
Joint Scientific Investigation Unit (Gwent Police and South Wales Police)	2	Final Report issued: 06/10/2023	The two forces are Gwent Police and South Wales Police. Lead force: South Wales Police Presented to JAC March 2024
Firearms Licencing (Gwent Police and South Wales Police)	3	Final Report issued: 08/02/2024	The two forces are Gwent Police and South Wales Police. Lead force: Gwent Police Presented to JAC March 2024.


System	Planned Quarter	Current Status	Comments
Information Disclosures (Gwent Police and South Wales Police)	4	Final Report issued: 04/12/2023	Suggested that dates are brought forward in light of high-profile FOI breaches. The two forces are Gwent Police and South Wales Police. Lead force: Gwent Police Presented to JAC March 2024
HR Recruitment and Training	4	Fieldwork commenced: 22/01/2024	The two forces are Gwent Police and South Wales Police. Lead force: South Wales Police
Gwent Police Only			
Strategic Planning	1	Final Report issued: 19/11/2023	Presented to JAC November 2023
Proceeds of Crime Act 2002 (POCA)	1	Final report issued: 24/10/2023	Presented to JAC November 2023
Complaints Handling (OPCC)	1	Final report issued: 10/11/2023	Presented to JAC November 2023
Expenses and Additional Payments	2	Suggested date: 28/11/2023	Presented to JAC March 2024
Budgetary Control	3	Final Report issued: 22/01/2024	Presented to JAC March 2024
Pensions	3	Fieldwork commenced: 02/10/2023	Continued delays within Pension Hub in providing information for the review.
Commissioning	3	Final Report issued: 01/12/2023	Presented to JAC November 2023
Contract Management	4	Suggested date: 12/02/2024	The selected contract is cleaning. Audit delayed due to GWP staff unavailability and subsequent leave. New date being arranged.
Service Improvement Board	4	Fieldwork commenced: 22/01/2024	Draft report pending.
Estates Management - Delivery	4	Suggested date: 19/02/2024	Delayed due to unavailability of GWP staff as per contract management. Audit rescheduled to w/c 11 th March 2024.
Follow Up	4	Fieldwork completed	Draft Report Pending
Contingency	1-4	TBC	2 Days
Liaison with Audit Wales	NA		Attendance at practitioner group meetings.
Annual Planning	1-4		
Annual Report	1		

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.

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
18 DECEMBER 2023	All	Data Protection Alert	Landmark Artificial Intelligence (AI) Deal Reached By EU	Landmark Artificial Intelligence (AI) deal reached by EU - TIAA	<p>European Union officials have reached a provisional deal on the world's first comprehensive laws to regulate the use of Artificial Intelligence (AI).</p> <p>Action Required: Not urgent</p> <ul style="list-style-type: none"> • Check whether your organisation already uses AI or when it plans to. • Ensure the AI use is compliant with ICO guidance.
01 DECEMBER 2023	All	Security Alert	Increase In People Sheltering In Waste Containers	Increase in People Sheltering in Waste Containers - TIAA	<p>This winter, organisations are reminded of the dangers of homeless people and seasonal revellers sleeping in commercial waste containers to avoid the cold weather.</p>
30 NOVEMBER 2023	All	Anti-Crime Alert	Salary Sacrifice Scheme Fraud	Salary Sacrifice Scheme Fraud - TIAA	<p>Action Required: Not urgent</p> <p>The NHS Counter Fraud Authority has uncovered a concerning new scam targeting salary sacrifice schemes. These schemes, offered by many NHS organisations, provide benefits like car leasing or cycle to work programs. Fraudsters are out there, looking to take advantage by using stolen credentials of NHS staff. Ensuring there is a robust policy in place to support the salary sacrifice scheme is key to prevention.</p>
22 NOVEMBER 2023	All	TIAA Blog	"Value For Money" – Looking Beyond The Standard Definition	"Value for Money" - looking beyond the standard definition - TIAA	<p>Discover the true meaning of "Value for Money", we look beyond the traditional definition and explore a new perspective. Gain a fresh understanding of value and uncover how cost, quality and sustainability are the most advantageous combination to achieve best value for money.</p>

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
12 – 18 NOVEMBER 2023	All	Campaign	International Fraud Awareness Week 2023	International Fraud Awareness Week 2023 - TIAA	Hundreds of organisations across the world participated in International Fraud Awareness Week (IFAW) (12th – 18th November 2023) to raise awareness of fraud risks and key reporting lines. The campaign aims to start discussions amongst peers, co-workers, executives and stakeholders in the community about how important fraud prevention is to society as a whole.
10 NOVEMBER 2023	All	Security Alert	Terrorism (Protection Of Premises) Bill Update	Terrorism (Protection of Premises) Bill Update - TIAA	His Majesty King Charles III recently (7th November 2023) performed one of his key duties as monarch, reading the King’s Speech at the State Opening of Parliament. This included the proposed Terrorism (Protection of Premises) Bill, also known as Martyn’s Law.
01 NOVEMBER 2023	All	Newsletter	Fraud Stop All Sectors – Autumn 2023	Fraud Stop All Sectors – Autumn 2023 - TIAA	The Autumn 2023 edition of our Fraud Stop All Sectors publication features emerging fraud trends identified at organisations, case studies that our specialists have been involved in and methods of fraud prevention.
26 OCTOBER 2023	All	TIAA Blog	TIAA Blog - What Is “Value for Money”?	What is “Value for Money”? - TIAA	Discover the true meaning of value for money, this blog dives deep into this concept and takes a look at the key components. From ‘quality and effectiveness’ – value for money doesn’t mean simply choosing the cheapest option to ‘long-term perspective’ - while immediate cost savings are important, value for money often emphasises the long-term perspective.
20 OCTOBER 2023	All	TIAA Podcast	Organisational Culture And Whistleblowing Podcast	Organisational Culture and Whistleblowing Podcast - TIAA	The first in our Podcast series. Hosted by David Foley, TIAA’s Advisory Director, with guest Professor David Lewis, Head of Whistleblowing Research at Middlesex University. Discover this eye-opening podcast on organisational culture and whistleblowing. Join us as we delve into real-life stories, thought-provoking discussions, and expert insights that will challenge your perception of workplace culture.
23 OCTOBER 2023	All	TIAA Webinar	Whistleblowing And Organisational Culture Round Up Webinar	Whistleblowing And Organisational Culture Round Up Webinar - TIAA	This webinar follows our last session, whereby our experts provide an update on the landscape, including details of our recent survey that TIAA conducted across clients.