



Internal Audit

FINAL

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

Summary Internal Controls Assurance (SICA) Report

2021/22

November 2021

Summary Internal Controls Assurance

Introduction

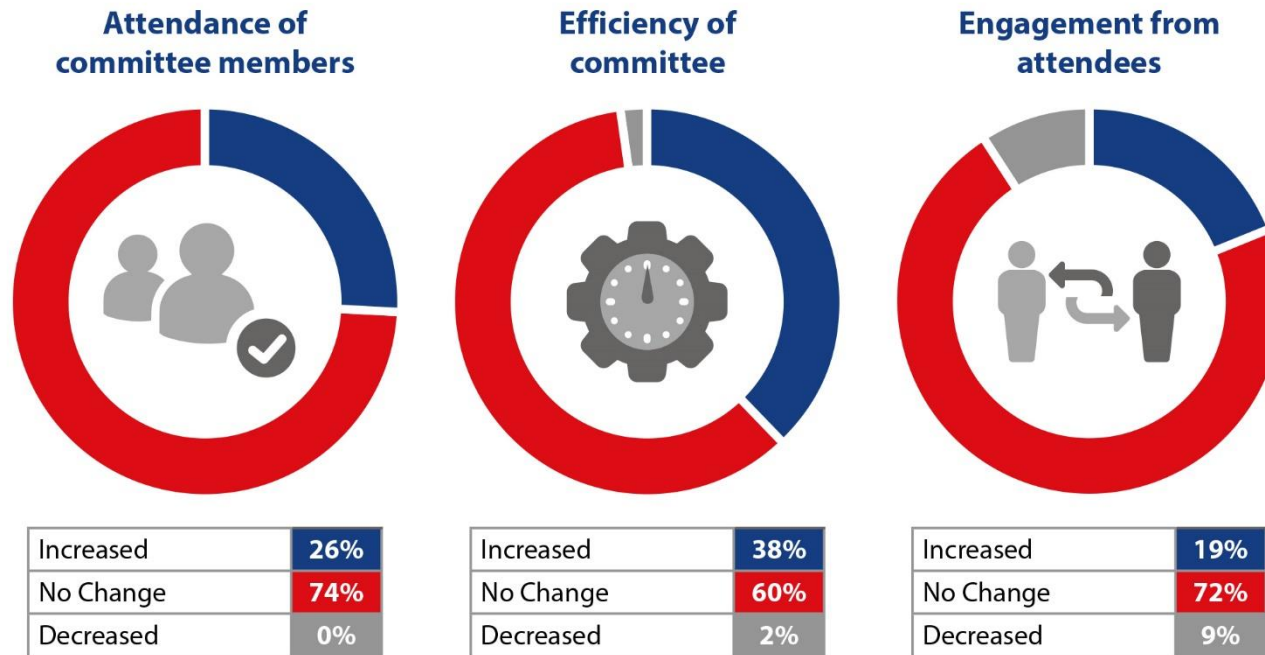
1. This summary controls assurance report provides the Joint Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at Gwent Police as at 25th November 2021.

Emerging Governance, Risk and Internal Control Related Issues

2. In our recent ‘Post-Lockdown Working Practices Briefing’, we explored the results of our survey of clients to ascertain how organisations are planning to deliver some of their functions going forward. We asked a number of questions regarding Audit Committee meetings and their effectiveness since the pandemic started and gained thoughts on how these will take place once restrictions are eased.

The experience of remotely held Audit Committees meetings has been positive with the majority of respondents recording no change in or increased attendance, efficiency and engagement at meetings.

Post Lockdown Audit Committee Attendance



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
Business Continuity Recovery Planning	Reasonable	16 th July 2021	28 th September 2021	29 th September 2021	0	2	1	0
Service Improvement Board Themes	Substantial	31 st August 2021	28 th September 2021	29 th September 2021	0	0	0	1
Vetting	Substantial	15 th September 2021	28 th September 2021	29 th September 2021	0	0	0	0
Collaborative- Agile Working	Substantial	20 th September 2021	30 th September 2021	1 st October 2021	0	0	1	0
Risk Management – Reporting Mechanisms	Substantial	4 th August 2021	5 th October 2021	6 th October 2021	0	0	1	2
Fleet Management – Single System Electric Vehicles	Advisory	19 th October 2021	2 nd November 2021	3 rd November 2021	0	2	0	1
HR Management – Absence Management	Substantial	26 th October 2021	2 nd November 2021	4 th November 2021	0	0	2	1
Follow Up Quarter 2	Follow Up	25 th October 2021	2 nd November 2021	5 th November 2021	0	0	0	0
Collaborative- Pensions – All Wales Pension Board	Reasonable	11 th October 2021	9 th November 2021	11 th November 2021	0	4 ¹	5	1
Collaborative- Safety Camera Partnership	Substantial	28 th October 2021	23 rd November 2021	23 rd November 2021	0	0	1 ²	1
Collaborative – General Ledger	Substantial	3 rd November 2021	24 th November 2021	25 th November 2021	0	0	1	0

Note 1: The recommendations raised all relate to the All Wales Lead - Pensions based in Dyfed-Powys. These have not been included in the Root Cause Indicator table below.

Note 2: The priority 3 recommendation is generic and applies to all four forces.

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

Progress against the 2021/22 Annual Plan

5. Our progress against the Annual Plan for 2021/22 is set out in Appendix B.

Changes to the Annual Plan 2021/22

6. One change has been made to the plan in the year to date. The Collaborative Fixed Asset Register review has been cancelled and replaced by a review of Firearms Licensing which was identified and agreed as a change to the plan at the September 2021 Joint Audit Committee meeting.

Progress in actioning priority 1 recommendations

7. We have been advised that progress of completion of recommendations is monitored internally and not to include within this summary report, following a decision at the February 2016 Joint Audit Committee.

Root Cause Indicators

8. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for 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, however the number of recommendations is included in brackets for context. A downward arrow signifies a positive reduction in risk in relation to the specific RCI.

RCI – Direction of Travel Assessment

Root Cause Indicator	Qtr 4 (2020/21)	Qtr 1 (2021/22)	Qtr 2 (2021/22)	Qtr 3 (2021/22)	Qtr 4 (2021/22)	Medium term Direction of Travel	Audit Observation
Directed							
Governance Framework	22% (3)	n/a	8% (1)			↓	Broad range of recommendations in Quarter 2, although Control Compliance and Performance Monitoring continue to have the most recommendations.
Risk Mitigation	-	n/a	8% (1)			↑	
Control Compliance	57% (8)	n/a	59% (7)			↓	
Delivery							
Performance Monitoring	14% (2)	n/a	25% (3)			↑	
Financial Constraint	7% (1)	n/a	-			↓	
Resilience	-	n/a	-			↔	

Frauds/Irregularities

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

Other Matters

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

Briefing Note
VMWare Vulnerabilities
NCSC Launches Scam Website Reporting Service
UK Finance Confirm Fraud Losses Rise by 30%
Sarah Everard Murder: MP calls for Further Measures on Police Vetting
Fraudulent Emails and Purchase Orders

A Webinar on Equality and Diversity in Recruitment for our Police and Fire Services clients was hosted by TIAA on 23rd November 2021. A briefing note will be circulated summarising the key points drawn from the session.

Fraud Alert
None to report – however TIAA provided a series of Fraud Webinars during the week commencing 15 th November 2021.

Responsibility/Disclaimer

11. 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.

Executive Summaries and Management Action Plans

The following reports have been completed. Full copies of the reports are available to the Joint Audit Committee.

Review	Evaluation
Business Continuity Recovery Planning	Reasonable
Service Improvement Board Themes	Substantial
Vetting	Substantial
Collaborative- Agile Working	Substantial
Risk Management – Reporting Mechanisms	Substantial
Fleet Management – Single System Electric Vehicles	Advisory
HR Management – Absence Management	Substantial
Follow Up Quarter 2	Follow Up
Collaborative- Pensions – All Wales Pension Board	Reasonable
Collaborative- Safety Camera Partnership	Substantial
Collaborative – General Ledger	Substantial

Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Business Continuity Recovery Planning	1	Final report issued 29 th September 2021	
Risk Management – Reporting Mechanisms	1	Final report issued 6 th October 2021	
Fleet Management – Single System Electric Vehicles	1	Final report issued 3 rd November 2021	
Local Policing – Property and Cash – Part 2 (carried forward from 2020/21)	1	Planned 15 th December 2021	Deferred from Q1 at client's request
Service Improvement Board themes	2	Final report issued 29 th September 2021	
Vetting	2	Final report issued 29 th September 2021	
Estate Management - Delivery	2	Fieldwork ongoing	
Follow Up Quarter 2	2	Final report issued 5 th November 2021	
HR Management – Absence Management	3	Final report issued 4 th November 2021	
HR Management – Recruitment and Training	3	Fieldwork ongoing	
Firearms Licensing	4		Replaces Collaborative Fixed Assets
Follow up – Quarter 4	4	Planned 4 th January 2022	
Collaborative Audits			
Collaborative- Counter Fraud (Anti-Fraud Procurement)	1	Fieldwork has commenced this week (w/c 18 October 2021)	Lead Force – NWP Audit delayed due to time taken to agree area for coverage. The review will focus on expenses and is scheduled to take place in October/November 2021
Collaborative- Pensions – All Wales Pension Board	2	Final report issued 11 th November 2021	

System	Planned Quarter	Current Status	Comments
Collaborative- Safety Camera Partnership	2	Final report issued 23 rd November 2021	
Collaborative- Automatic Number Plate Recognition (ANPR)	2	Draft report issued 8 th October 2021	Lead Force DPP
Collaborative- Agile Working	2	Final report issued 1 st October 2021	NWP and DPP have deferred to Q4. GWP lead for the Q2 review
Collaborative- Electronic Time Management	2	Fieldwork ongoing	Lead Force - SWP
Collaborative- General Ledger	3	Final report issued 25 th November 2021	
Collaborative- Debtors	3	Fieldwork ongoing	Lead Force - GWP
Collaborative- Fixed Assets	3	CANCELLED	Replaced by Firearms Licensing
Collaborative- Payroll	3	Planned 29 th November – 15 th December 2021	Lead Force - SWP
Collaborative- Creditors	3	Fieldwork ongoing	Lead Force - SWP
Collaborative- Budgetary Control	3	Fieldwork ongoing	Lead Force - NWP
Collaborative- Treasury Management	3	Fieldwork ongoing	Lead Force - SWP

KEY:

	To be commenced		Site work commenced		Draft report issued		Final report issued
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Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Counter Fraud 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 Fraud Alerts issued in the last three months which may be of relevance to 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)

CBN Ref	Subject	Status	TIAA Comments
CBN-21030	VMWare Vulnerabilities		Action Required All organisations running the VMWare virtualisation software need to install the latest version as soon as practicable to address the vulnerability.
CBN-21035	NCSC Launches Scam Website Reporting Service		Information Only
CBN-21039	UK Finance Confirm Fraud Losses Rise by 30%		Information Only
CBN-21041	Sarah Everard Murder: MP calls for Further Measures on Police Vetting		Action Required Audit Committees and Boards/Governing Bodies are advised to ensure that vetting is undertaken when staff members move department and is refreshed on a timely basis.
CBN-21042	Fraudulent Emails and Purchase Orders		Action Required Procurement teams and suppliers to your organisation should be made aware of this scam.