

**JOINT  
ANNUAL GOVERNANCE STATEMENT  
2021/2022**

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**THE POLICE AND CRIME COMMISSIONER FOR GWENT  
AND  
THE CHIEF CONSTABLE OF GWENT POLICE**

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## **INTRODUCTION**

The purpose of this Annual Governance Statement (Statement) is to explain how the Police and Crime Commissioner (Commissioner) and the Chief Constable of Gwent have complied with their joint Manual of Corporate Governance (MoCG) during 2021/22 and in particular, the Code of Corporate Governance therein.

To this end, the Statement is written in two parts. Part one describes the governance arrangements in place during 2021/22. Part two reports on the review of the effectiveness and the outcomes of these arrangements.

This Statement assesses the governance arrangements in place during the 2021/22 financial year, so the entirety of the assessment period will be considered alongside the Coronavirus pandemic. Furthermore, the conclusion of the Statement, on whether or not the governance arrangements are fit for purpose, should generally reflect normal operations. However, as the Statement must be current at the time of its publication (normally the 31<sup>st</sup> July but this may be delayed as a result of ant reoccurring implications of the Coronavirus pandemic), any impact on the Governance arrangements from the 1<sup>st</sup> April 2022 up to the publication date will be reflected.

## **PART ONE**

### **SCOPE OF RESPONSIBILITIES**

The Commissioner and Chief Constable's governance arrangements are designed to ensure appropriate accountability and to assist effective leadership. The Police Reform and Social Responsibility Act 2011 created two separate 'corporations sole' within each police force area: the Commissioner and the Chief Constable. They each have clear and separate roles and responsibilities set out in statute.

The core statutory functions of the Commissioner for Gwent Police are to secure the maintenance of the police force; ensure that the force is efficient and effective; and hold the Chief Constable to account for the exercise of her functions and the functions of persons under her direction and control. The Commissioner also has:

- Responsibility for the delivery of community safety and crime reduction;
- The ability to make crime and disorder reduction grants within the force area;
- A duty to ensure that all collaboration agreements with other Commissioners and forces deliver better value for money or enhance the effectiveness of policing capabilities and resilience; and
- A wider responsibility for the enhancement of the delivery of criminal justice locally.

Overarching these functions is a responsibility for ensuring business is conducted in accordance with the law and proper standards; that public money is safeguarded and properly accounted for; and that it is used economically, efficiently and effectively.

The operational independence of the Chief Constable is protected in legislation. She has a statutory responsibility for the control, direction and delivery of operational policing services provided by the Force. The Chief Constable is responsible for ensuring that police powers are exercised in accordance with the law and proper standards and is accountable to the Commissioner for the delivery of efficient and effective policing; management of resources; and expenditure by the police force.

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In discharging their overall responsibility, the Commissioner and Chief Constable are also responsible for putting in place proper arrangements for the governance of affairs and facilitating the exercise of their functions. This includes ensuring a sound system of internal control is maintained throughout the year and that arrangements are in place for the management of risk.

The financial management arrangements conform principally with the governance requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) *Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and Chief Financial Officer of the Chief Constable* and the Home Office *Financial Management Code of Practice for the Police Service of England and Wales (new version issued in July 2018)*. Revised guidance for 'Delivering Good Governance' for Policing Bodies was also published by CIPFA in July 2016, which has been supplemented by CIPFA guidance in February 2021 on the 'Application of the Good Governance Framework 2020/21', in response to the continuing impact of the Coronavirus pandemic on governance. Furthermore, CIPFA's Financial Management Code (FM Code) provides guidance for good and sustainable financial management in Local Authorities (including police) and will provide assurance that authorities are managing resources effectively. The first full year of compliance with the FM Code was 2021/22, but the Commissioner and Chief Constable recognised that their organisations would need time to reflect on the contents of the FM Code and therefore used 2020/21 to demonstrate how they are working towards compliance. Existing and future financial management governance arrangements have therefore been taken into account, both in reviewing our governance arrangements and in preparing this Statement.

This Statement meets the requirements of the Accounts and Audit (Wales) Regulations 2014 in relation to the publication of a Statement which must accompany the Statement of Accounts.

This is the fourth time that the Commissioner and Chief Constable have jointly produced a single Statement. Much of the governance framework is shared, but this Statement highlights the few areas where governance arrangements necessarily differ with no adverse impacts on overall effectiveness.

## PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems, processes, culture and values that the Commissioner and Chief Constable use to direct and control their activities, and to engage with and be accountable to the community. The framework enables them to influence and monitor the achievement of strategic Policing and Crime Reduction objectives and to consider whether those objectives have delivered the Police and Crime Plan in an efficient and effective manner.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to:

- Identify and prioritise the risks to the achievement of policies, aims and objectives;
- Evaluate the likelihood of those risks being realised and the impact should they be realised; and
- Manage risks effectively, efficiently and economically.

The findings of the review of the system of internal control are reviewed by the Commissioner and the Chief Constable and independently reviewed by the Joint Audit Committee (JAC).

The Commissioner and the Chief Constable will formally approve any changes to the MoCG and framework on an annual basis as part of the governance review.

## PRINCIPLES OF GOOD GOVERNANCE

The Policing Protocol Order 2011 (changes to which are currently out for consultation) requires the Commissioner and the Chief Constable to adopt and abide by the Nolan Principles for Conduct in Public Life. It also highlights the expectation that the relationship between all parties will be based upon the principles of goodwill, professionalism, openness and trust.

This is reflected in the Principles of Relationship document agreed by the Commissioner and the Chief Constable, which forms part of their MoCG.

The MoCG is also consistent with the seven core principles of good governance, set out in the International Framework for Good Governance in the Public Sector<sup>1</sup>: -

1. *Behave with integrity, demonstrating strong commitment to ethical values and respecting the rule of law;*
2. *Ensure openness and comprehensive stakeholder engagement;*
3. *Define outcomes in terms of sustainable economic, social and environmental benefits;*
4. *Determine the interventions necessary to optimise the achievement of the intended outcomes;*
5. *Develop the entity's capacity, including the capability of its leadership and the individuals within it;*
6. *Manage risks and performance through robust internal control and strong public financial management; and*
7. *Implement good practices in transparency, reporting and audit to deliver effective accountability.*

The Code of Ethics issued by the College of Policing introduced two additional principles to the seven Nolan principles: Fairness and Respect (see the 'extended' Nolan Principles as set out below).

The Nolan Principles refer to Leadership in terms of promoting and supporting the principles of Conduct in Public Life, but the Commissioner and the Chief Constable are explicitly committed to providing a robust, timely and caring response to events that affect the public and our communities. This is reflected in a clear statement in the Police and Crime Plan for 2011 - 2025 "Making Gwent a Safer Place to Live and Work", the priority given to keeping neighbourhoods safe; to combatting serious crime; supporting victims and protecting the vulnerable; and to working with local partner agencies in the public interest.

**Selflessness:** Decisions will be taken solely in terms of the public interest, and not for personal financial or other gain, whether for such person, their family or their friends.

**Integrity:** The Commissioner, the Chief Constable, their officers and staff will not place themselves under any financial or other obligation to outside individuals or organisations that may seek to influence them in the performance of their official duties.

**Objectivity:** In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, the Commissioner, the Chief Constable, their officers and staff will make choices on merit.

**Accountability:** The Commissioner, the Chief Constable, their officers and staff will be accountable for their decisions and actions to the public and will submit themselves to whatever scrutiny is appropriate.

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<sup>1</sup> International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014)

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**Openness:** The Commissioner, the Chief Constable, their officers and staff will be as open as possible about all decisions and action they take. Reasons for decisions will be made available and information will be restricted only when so required by the wider public interest.

**Honesty:** The Commissioner, the Chief Constable, their officers and staff will have a duty to declare any private interests relating to public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

**Leadership:** The Commissioner, the Chief Constable, their officers and staff will promote and support these principles through leadership and by example.

**Fairness:** The Commissioner, Chief Constable, their officers and staff will act with fairness and impartiality.

**Respect:** The Commissioner, Chief Constable, their officers and staff will act with self-control and tolerance, treating members of the public and colleagues with respect and courtesy.

## GOVERNANCE ARRANGEMENTS

This governance framework aims to provide a strong focus on the drivers for policing within Gwent Police, and to ensure that there is a clear 'line of sight' between decisions taken and the Police and Crime Plan. The key elements of the framework are:

### **Manual of Corporate Governance**

The Commissioner and the Chief Constable have in place a joint MoCG. The MoCG includes a Scheme of Delegation, Financial Regulations, the Principles of Relationships and Standing Orders relating to contracts. It also includes a decision-making framework which ensures that, where possible, all the Commissioner's decisions are published and available for public scrutiny.

### **Principles of Relationships**

This document recognises the Chief Constable's operational responsibilities, within the policy and accountability framework set by the Commissioner. The Principles enable the Commissioner to pursue his policy intentions through the operational plans for the Force and the accountability of the Chief Constable for their delivery. Notwithstanding their formal 'corporations sole' status, the relationship between the Commissioner and the Chief Constable is based on working together for the benefit of the people of Gwent under the joint banner of 'Gwent Police'.

The Principles also specify that the relationship between the Commissioner and Chief Constable will be built on trust, confidence and transparency. The governance arrangements adopted are consistent with the need to ensure accountability both between the parties and also accountability to the public. A transparent and auditable approach has been adopted which remained valid in 2021/22.

### **Board Assurance Framework**

The development of a Board Assurance Framework (BAF) was first recommended by Internal Audit in 2017, in order to highlight the impact of organisational risks on the delivery of the Police and Crime Plan objectives and to explain how these risks could be mitigated.

Following extensive research across public bodies and considering further findings from Internal Audit reviews, work started to establish how a BAF could be developed to support the Office of the Police and Crime Commissioner for Gwent (OPCC), the Force and also provide reassurance to the JAC. As an initial design, it was agreed that the BAF would consider the discharge of statutory functions and determine whether or not these were being met.

The BAF therefore considers the statutory functions of both the Commissioner and Chief Constable contained within the MoCG's Scheme of Delegation, which highlights areas of responsibilities for senior officers of both organisations and also areas from the forward work plan for both the Strategy and Performance Board (SPB)<sup>2</sup> and JAC.

The completed BAF was presented to the JAC in March 2021 and comments received which will continue to drive the evolution of the BAF. The BAF's current and future action plan will be monitored annually by the JAC, to provide reassurance that any material gaps and risks identified in respect of a failure to discharge statutory duties are being addressed. Internal governance arrangements have been agreed and the action plan will be monitored on a quarterly basis at the Strategic Planning Group.

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<sup>2</sup> SPB is the decision-making forum for the Commissioner and is the primary forum at which the Commissioner will hold the Chief Constable to account.

A Single Point of Contact (SPOC) has also been appointed for both the OPCC's and the Force's actions, to ensure the BAF is updated and to ensure progress is made in between meetings. It is currently proposed that the overall BAF document is reviewed every four years following a Commissioner election, to determine whether any new areas of risk have been identified.

### FM Code

As highlighted above, in October 2019 CIPFA published its FM Code. The FM Code is designed to support good practice in financial management and to assist Local Authorities (and other designated bodies such as Policing) in demonstrating their financial sustainability. The FM Code therefore for the first time sets the standards of financial management for a number of public bodies.

A key goal of the FM Code is to improve the financial resilience of organisations, by embedding enhanced standards of financial management. Inevitably, the impact of the Coronavirus pandemic has tested that financial resilience since 2020/21 and may continue to do so in coming years. For this reason, the implementation of the FM Code in the shadow year was a critical task. There are clear links between the FM Code and the Governance Framework, particularly with its focus on achieving sustainable outcomes.

For these reasons, the Statement for 2021/22 will include the overall conclusion of an assessment of Gwent Police's compliance with the principles of the FM Code. Where there are outstanding matters or areas for improvement, these will be included in the action plan at Part 2 of this Statement. The six Principles of the FM Code which will be assessed are:

1. *Organisational **Leadership** – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.*
2. ***Accountability** – based on medium-term financial planning that drives the annual budget process supported by effective risk management, quality supporting data and whole life costs.*
3. *Financial management is undertaken with **transparency** at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and elected member decision making.*
4. *Adherence to professional **standards** is promoted by the leadership team and is evidenced.*
5. *Sources of **assurance** are recognised as an effective tool mainstreamed into financial management, including political scrutiny and the results of external audit, internal audit and inspection.*
6. *The long-term **sustainability** of local services is at the heart of all financial management processes and is evidenced by prudent use of public resources.*

It is the duty of Gwent Police to adhere to the principles of financial management. To enable Gwent Police to test their conformity with the CIPFA Principles of Good Financial Management, the FM Code translates these principles into seventeen financial management standards across seven sections of the FM Code. These financial management standards will have different practical applications according to the different circumstances of each relevant public body.

Sections 1 and 2 of the FM Code (containing standards A to E) address important contextual factors, which need to be addressed in the first instance if sound financial management is to be possible. The first deals with the responsibilities of the Chief Finance Officer and leadership team, the second with the organisation's governance and financial management style.

The remaining Sections 3 to 7 (containing standards F to Q) address the requirements of the financial management cycle, with Section 3 stating the need for a long-term approach to the evaluation of financial sustainability. To make well informed decisions all these elements of the cycle need to be fit

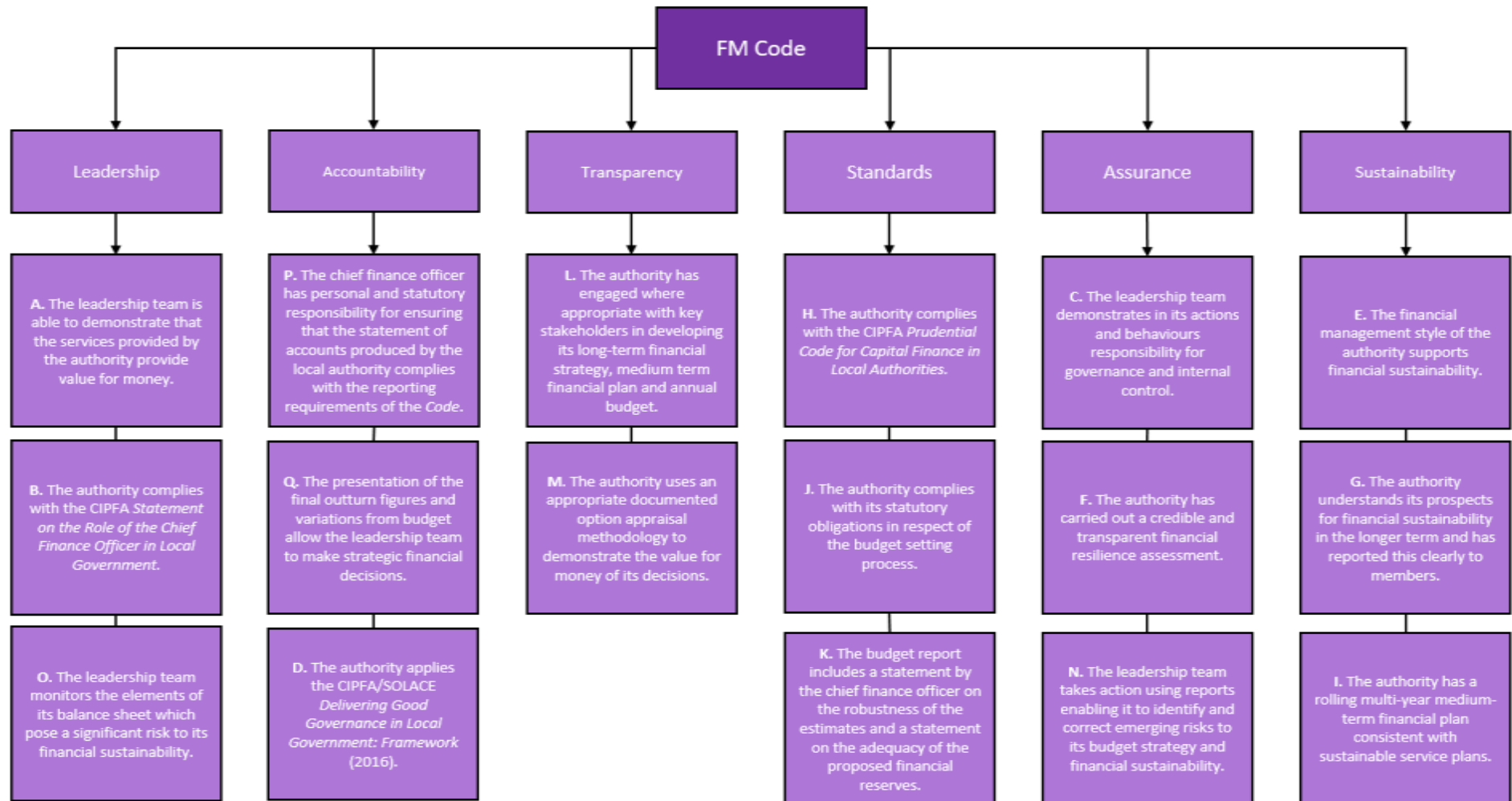


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for purpose. The development of a high-quality long-term financial strategy will not itself achieve financial sustainability if, for example, the organisation's annual budget setting process (Section 4), stakeholder engagement and business cases (Section 5) and performance monitoring arrangements (Section 6) are inadequate. The cycle is completed by Section 7, which shows how high-quality financial reporting supports the financial management cycle, by ensuring that it rests on sound financial information.

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The seventeen standards applied across the six principles are produce below:



### Governance Framework

As reported in the 2018/19 Statement, a review was undertaken in 2018 and this concluded that the principles of collaboration (as set out in the Principles and in the MoCG) would be best reflected through the establishment of a new meeting and reporting structure for the Chief Constable, aligned to the delivery of the Police and Crime Plan, addressing both performance and delivery issues.

The Scrutiny Executive Board (chaired by the Deputy Chief Constable) feeds into the monthly Chief Officer Team meeting and ultimately into the quarterly SPB.

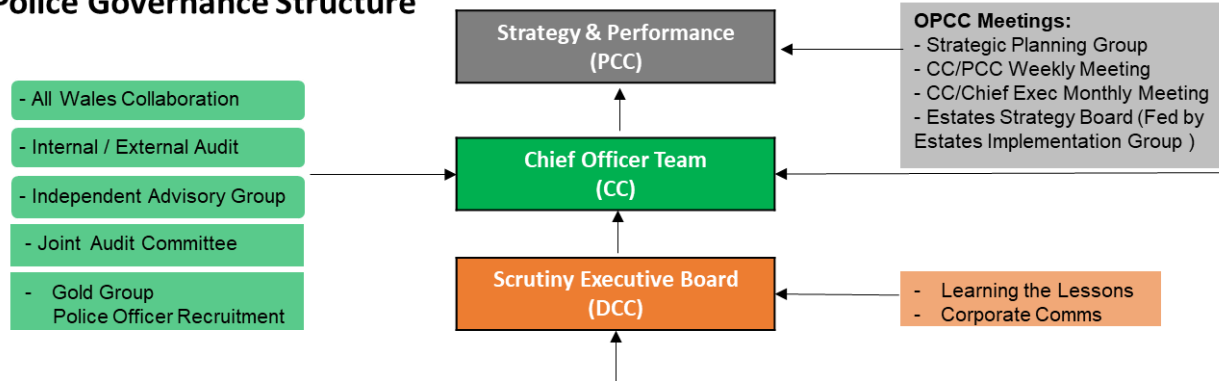
In addition, issues from the Joint Strategic Planning Group continue to be reported to both the Chief Officer Team meeting and to the Commissioner's SPB. These two Boards also collate recommendations from other internal meetings such as the JAC, Independent Ethics Committee and Estate Strategy Board.

This governance meeting structure was further reviewed during 2018/19, 2019/20 and 2020/21 **2021/22?**, to make some further changes to the same and the diagram below sets out the revised meeting structure within the Force and between the OPCC. The diagram below however, which reflects normal operations, does not include the Coronavirus Gold/Silver command structure, which was stood up on the 18<sup>th</sup> of March 2020 to co-ordinate Gwent Police's response to the pandemic. The workings of this group and its successor group are explained more fully in Part Two.

The colour key to the diagram is as follows:

Green	Executive Boards;
Orange	Scrutiny Meeting;
Light Blue	Thematic Governance Boards;
Yellow	Departmental Meetings and sources of update that feed into Governance Boards; and
Grey	OPCC Meetings and independent Boards and bodies which impact the Governance Structure and contribute to the governance arrangements.

### Gwent Police Governance Structure



Operational Performance (ACC)		Organisational Resources (ACO-R)		Victims (ACC)		People Strategy (HoPS)		Service Improvement (DCC)		Assurance Board – Quarterly (DCC)	
• East LPA & West LPA	M	• Uniform User	Q	• Victims Care Working Group	M	• Workforce Resource	M	• Project Management	M	• CDI Working Group	B
• Vulnerability	M	• Business Continuity	Q			• Learning & Development	B	• DSD	Q		
• FPOC & Crime Data	M	• Fleet	B			• Absence & Wellbeing	M	• Continuous Improvement	B		
• Coercive Powers Scrutiny	Q	• Estates Implementation Group	Q			• Welsh Language	B	• Futures Group	B		
• JSIU	Q	• Shared Facilities	Q			• Ethics Committee	Q				
• Hate Crime	Q	• Health & Safety	B			• Op Hampshire	Q				
• Custody	M	• Information Assurance	B								
• Criminal Justice	M	• ICT	M								
• Crime Prevention	Q	• Data Performance	M								
• SOC	M										
• SPRG	Q										
• JFU	Q	• Procurement	B								
• Citizens in Policing	Q	• Joint Legal Services	B								
• Neighbourhood Policing on Engagement / Problem Solving	Q	• Information Assurance	B								
• CDI Working Group	B	• Greener Gwent	Q								
		• Finance & Capital Strategy	B								

**PART TWO**

**REVIEW OF EFFECTIVENESS**

The Commissioner and Chief Constable have responsibility for conducting, at least annually, a review of the effectiveness of their respective governance framework including the system of internal control. The review of effectiveness is informed by:

- The work of Chief Officers and senior managers who have responsibility for the development and maintenance of the governance environment;
- The Internal Audit annual reports;
- The annual report of the JAC;
- The view of the external auditor through the annual audit letter; and
- Reports from other review inspectorates.

There are, accordingly, three principal lines of assurance methodology:



It is important to note that this Joint Statement and the work undertaken in its preparation, is a tool in the self-evaluation by the Commissioner and the Chief Constable of their governance arrangements.

The Statement is submitted for consideration to the Joint Strategic Planning Group and the JAC, before being approved at the Commissioner's SPB. Audit Wales (AW)<sup>3</sup> also reviews the Statement during its development and reports (by exception), if the Statement does not comply with requirements, as part of their Audit Report.

The roles of the various bodies are detailed below:

### **Joint Audit Committee (JAC)**

In conjunction with the Chief Constable, the Commissioner established an independent JAC which provides assurance to enhance public trust and confidence in the governance of the Commissioner and the Chief Constable.

This approach is consistent with the Financial Management Code of Practice which states that such a combined body should consider the internal and external audit reports of both the Commissioner and the Chief Constable. The JAC also considers reports from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) in relation to the annual Value for Money Profiles and other relevant reports of a non-operational nature. The JAC advises the Commissioner and the Chief Constable according to good governance principles and provides:

- Independent assurance to the Commissioner and the Chief Constable regarding the adequacy of the risk management framework and the associated control environment;
- Independent scrutiny of the Chief Constable's and the Commissioner's financial performance; and
- Oversight in relation to the financial reporting process adopted from the CIPFA Audit Committees Practical Guidance for Local Authorities.

The JAC provides comments, advice and assurance on matters relating to the internal control environment of the Force and the OPCC. It also has oversight of general governance matters. The JAC has specific responsibility to provide independent assurance on the arrangements for governance, including risk management and the internal control environment. During 2021/22, the JAC was composed of five individuals appointed by the Commissioner and the Chief Constable to act as independent advisers.

The JAC reports directly to the Commissioner and the Chief Constable. Four formal quarterly committee meetings are held each year in addition to an exceptional meeting to consider the Statement of Accounts and also two All-Wales Training Days for JAC members – one to receive formal training input and one informal to discuss related matters amongst the four Welsh JACs .

The JAC has formal terms of reference covering its core functions and these are also set out in the joint MoCG (which are both reviewed annually). These include reference to the JAC's role in respect of the corporate governance arrangements and in maintaining an overview of the regulatory framework. The JAC's terms of reference were reviewed and comprehensively revised during 2019/20 in response to the publication of CIPFA's 'Audit Committees: Practical Guidance for Local Authorities

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<sup>3</sup> Audit Wales is the trademark of two legal entities; the Auditor General for Wales and the Wales Audit Office. The Auditor General audits and reports on Welsh public bodies; and The Wales Audit Office provides staff and other resources for the Auditor General's work, and monitors and advises the Auditor General.

and Police 2018 Edition'. The Commissioner and Chief Constable are both represented at all meetings of the JAC.

**The JAC Annual Report for 2021/22 confirmed that the JAC remains satisfied that the Commissioner and the Chief Constable can be assured that the control, risk and governance position for 2021/22 remained appropriate despite the significant challenges resulting from responding to the Coronavirus pandemic.**

#### **Independent Ethics Committee:**

This was jointly established by the Commissioner and the Chief Constable in April 2015, following the introduction of the Code of Ethics by the College of Policing in 2014. It is comprised of a minimum of five independent members as well as a representative of the OPCC, Force's Chief Officer Team, police officers and police staff. The Independent Ethics Committee provides advice, support and assistance concerning ethical challenges arising from operational, administrative or organisational matters facing Gwent Police. The Code of Ethics has remained unchanged since 2014, however the College of Policing is currently consulting on an update to the Code of Ethics and members of Gwent Police Ethics Committee have shared their views with the College.

As noted in the action plan further in this Statement, the membership of this external Independent Ethics Committee was reviewed during 2020/21, which has since concluded. Linked to this review, the Chief Constable pledged to set up an internal Ethics Committee. In October 2021, the inaugural Internal Ethics Group meeting took place, recognising that the external Independent Ethics Committee itself has limited ability to impact the extent to which the wider workforce complies with and adheres to the Code of Ethics. The internal group is looking to bridge this gap. This group will be supported by a Delivery Plan to ensure the Aims and Objectives of the group are met. Furthermore.

#### **Internal audit**

Internal audit performs a range of reviews based on an agreed audit plan and in compliance with Public Sector Internal Audit Standards (PSIAS). The audit plan has regard to the Risk Register and recognises that key financial systems and other areas of wider business risk, need to be reviewed on a cyclical basis, to provide assurance with regard to internal controls and systems for governance. The plan is agreed by the Chief Finance Officers of both corporations sole and is presented to the JAC for comment.

Regulation 5 of the Accounts and Audit (Wales) Regulations 2014 makes provision in respect of the internal control system that should be maintained in accordance with proper internal audit practices. The responsibility for the maintenance of an efficient internal audit function rests with both corporations sole (the Commissioner and Chief Constable). The role and standards of Internal Audit are defined in the PSIAS. The PSIAS encompasses the definition of Internal Auditing, a Code of Ethics and the International Standards for the Professional Practice of Internal Auditing. Internal Audit is required to provide an assurance opinion on the adequacy and effectiveness of systems of internal control. They also provide assurance in relation to the management of financial and operational business risks, corporate governance and the entire control framework.

The review of both the corporate governance and risk management arrangements (which are captured in the joint Risk Register maintained by the Chief Constable and the Commissioner) periodically feature in the annual audit plan. Corporate governance and risk management issues may also arise through other reviews carried out by Internal Audit. In these cases the issues will be dealt with initially in the relevant audit report.

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Internal Audit then present their reports on the adequacy of controls in the systems audited to the JAC, setting out any areas of concern. The JAC will then monitor the implementation of the audit recommendations, until fully completed.

### Internal Audit Work During 2021/22

The internal audit work for the last year was risk based and focused on significant financial and operational risks. The incumbent internal audit service for the Commissioner and Chief Constable are TIAA, following their reappointment from 1<sup>st</sup> April 2019.

However, by virtue of the Commissioner and Chief Constable being members of the Shared Resource Services (SRS), for the delivery of Information Communication Technology (ICT) services, in collaboration with Torfaen County Borough Council (TCBC), Monmouthshire County Council (MCC), Blaenau Gwent County Borough Council (BGCBC) and Newport City Council (NCC), from May 2016, the TCBC internal audit service was selected to undertake the audit plan for the SRS. This was to ensure that a consistent audit approach was adopted across all constituent SRS partners and therefore TIAA were formally advised that they would no longer be expected to provide assurance to the JAC for the ICT services operated by Gwent Police. Progress on the delivery of the internal audit plan for ICT services is reported to the JAC alongside the audit plan delivered by TIAA. Such assurance will be provided by the TCBC internal audit function, to which the AW will refer to in considering the control framework for the ICT functions.

During 2020/21 TIAA undertook 22 audits (including 12 undertaken collaboratively across Welsh Forces) of which 10 were assessed as providing substantial assurance (7 in 2019/20), 12 with reasonable assurance (10 in 2019/20) and zero with limited assurance (2 in 2019/20).

HR Management – Wellbeing	Substantial
Counter Fraud – Procurement	Substantial
Capital Programme	Substantial
Vetting of Contractors (Collaborative)	Substantial
Strategic Resource Planning (Collaborative)	Substantial
Procurement – Strategic Lead (Collaborative)	Substantial
Budgetary Control (Collaborative)	Substantial
Early Action Together Programme (Collaborative)	Substantial
Creditors (Collaborative)	Substantial
Payroll (Collaborative)	Substantial
Estate Management - Strategy	Reasonable
Corporate Communications	Reasonable
Expenses and Additional Payments	Reasonable
Local Policing – Property and Cash (Visit 1)	Reasonable
Service Improvement Board Themes	Reasonable
Contract Management	Reasonable

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Performance Management	Reasonable
Risk Management – Mitigating Controls (Collaborative)	Reasonable
Microsoft Office 365 (Collaborative)	Reasonable
Fleet Management – Fuel Usage (Collaborative)	Reasonable
General Ledger (Collaborative)	Reasonable
Debtors (Collaborative)	Reasonable

These reports generated 54 recommendations, of which zero were urgent, 26 were considered important and 28 were categorised as routine.

As part of the audit programme, the internal auditors also carried out 2 follow up audits to check progress against all Priority 1 and 2 Recommendations. These reports were discussed at the JAC.

1 audit has been deferred to 2021/22 at management's request (Local Policing – Property and Cash (Visit 2)).

**TIAA's Annual Opinion was that they were satisfied that, for the areas reviewed during the year, the Office of the Police and Crime Commissioner for Gwent and the Chief Constable of Gwent Police have reasonable and effective risk management, control and governance processes in place.**

During 2020/21 TCBC undertook 9 audits, which includes 1 deferred from 2018/19 (Cyber Security) and 1 deferred from 2019/20 (Back Office (renamed Business Management)). In addition, one audit originally planned to be undertaken in 2020/21 (IT Governance) was also deferred into quarter one of 2021/22, at management's request. The assessments of the 9 audits undertaken confirm that 7 were assessed as providing substantial assurance (5 in 2019/20), zero with moderate assurance (5 in 2019/20), zero with limited assurance (2 in 2019/20) and 2 were advisory with no assessment given.

Business Management	Substantial
Firewall	Substantial
Data Centre	Substantial
Enterprise Architecture Management	Substantial
CCTV/Control Room	Substantial
Software Asset Management	Substantial
Cyber Security	Substantial
Risk Management	Advisory
Information Security Management System	Advisory

These reports generated 33 recommendations, of which none were high, 25 were medium and 8 were categorised as low and confirms significant improvement on preceding years' audit performance

**TCBC's Annual Opinion was that they were satisfied that sufficient internal audit work has been undertaken to allow an overall opinion to be given as to the adequacy and effectiveness of governance, risk management and control of the SRS's framework of governance. TCBC's Annual**

**Opinion was satisfactory, recognising a continuing consolidation of the improvement from previous years.**

This opinion is defined as:

- A limited number of medium risk rated weaknesses may have been identified, but generally only low risk rated weaknesses have been in individual assignments; and
- None of the individual assignment reports have an overall classification of either high or critical risk.

### **External Audit**

The Public Audit (Wales) Act 2004 (as amended) appoints the Auditor General for Wales to audit the financial statements of the Commissioner and the Chief Constable. The Act also requires the Auditor General for Wales to assess whether the Commissioner and the Chief Constable have made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

AW, on behalf of the Auditor General for Wales, audit the financial statements of the Commissioner and Chief Constable, as well as the Group accounts and also report (by exception) on the Joint Statement, if it does not comply with requirements.

AW in their annual audit report may also comment on the financial aspects of corporate governance. This includes the legality of financial transactions, financial standing, systems of internal financial control and the standards of financial conduct, fraud and corruption.

Such external audit plans and reports, including the annual audit letter, are considered by the JAC at appropriate times in its annual cycle of meetings.

Both the Commissioner and the Chief Constable have a duty to respond to reports by the external auditor.

### **Other Bodies**

The Welsh Government, Home Office and a number of other bodies require financial returns to monitor expenditure on revenue and capital. Strict terms and conditions are in place to govern additional external funding received from these bodies.

### **Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS/the Inspectorate)**

The role of the HMICFRS (which also has Fire Service responsibilities for England only) is to promote the economy, efficiency and effectiveness of policing in England, Wales and Northern Ireland, through inspection of police organisations and functions to ensure agreed standards are achieved and maintained; good practice is spread; and performance is improved. HMICFRS inspects the functions of the Chief Constable, not the Commissioner. It also provides advice and support to the tripartite partners (Home Secretary, Commissioners and Chief Constables).

HMICFRS is independent of the Commissioner, the Chief Constable and the United Kingdom and Welsh Governments. Its remit is to assess the work of police forces in different areas of business, including neighbourhood policing, serious and organised crime, anti-social behaviour and tackling major threats such as terrorism. HMICFRS also actively monitors the performance of the Force in relation to their plans for ensuring the sustainability of an efficient and effective police service in light of the significant grant reductions from recent Comprehensive Spending Reviews. To date, reports in this area of inspection have been positive and encouraging. Reports are published on the following website:

<https://www.justiceinspectors.gov.uk/hmicfrs/>

HMICFRS reports are sent to the Chief Constable and the Commissioner for consideration and appropriate action. HMICFRS plays a key role in informing the Commissioner and the public on the efficiency and effectiveness of their forces and, in so doing, facilitates the accountability of the Commissioner to the public.

The Commissioner has a duty in law to respond to any HMICFRS report within 56 days of its publication with any response forwarded to the Home Secretary and HMICFRS. Responses should include an update on any actions the Force are/are not taking, in relation to any recommendations made within the report.

### **Inspection Work During 2021/22**

HMICFRS's reports during 2021/22 supported the monitoring and development of many of the Force's priorities. They also produced a suite of value for money indicators (albeit later than usual due to the Coronavirus pandemic) to challenge areas of exceptional spend, demand and performance, in comparison with Gwent Police's most similar forces. The results of the benchmarks inform the Force's change programme.

### **PEEL Assessment by HMICFRS**

During 2021/22, HMICFRS published their future activity on its assessments of police forces, which would allow members of the public to see how well its local force is performing. These are known as PEEL assessments (and examine **P**olice **E**ffectiveness, **E**fficiency and **L**egitimacy):

- **Effectiveness:** how well the force carries out its responsibilities, including cutting crime, protecting vulnerable people, tackling anti-social behaviour and dealing with emergencies and other calls for service;
- **Efficiency:** how well the force provides value for money; and
- **Legitimacy:** how well the force provides a service that is fair and treats people properly and within the law.

Gwent Police's next PEEL inspection / assessment has now been set for November 2022. This timeframe affords the opportunity to progress work against outstanding recommendations and areas for improvement as well as to address any areas that the Force has identified.

For context, the PEEL assessments that were given to Gwent Police from the 2019/20 programme of work are as follows:

- The extent to which the Force is **effective** at keeping people safe and reducing crime – Overall **Good**:
  - Preventing Crime and Tackling ASB – **Good**;
  - Investigating Crime – **Good**;
  - Protecting Vulnerable People – **Good**; and
  - Tackling SOC – **Good**.
- The extent to which the Force is **efficient** at keeping people safe and reducing crime – Overall **Good**:
  - Meeting Current Demands and Using Resources – **Good**; and
  - Planning for the Future – **Good**.

- The extent to which the force is **legitimate** at keeping people safe and reducing crime – Overall **Requires Improvement**:
  - Fair Treatment of the Public (Stop and Search) – **Requires Improvement**;
  - Ethical and Lawful Workforce – **Requires Improvement**; and
  - Fair Treatment of Workforce – **Good**.

In relation to the areas that 'Require Improvement', the Force recognises:

- The importance of working closely with communities, with Police Officers and Police Staff understanding how important it is to treat people with fairness and respect. However, it was acknowledged that frontline Police Officers and Police Staff varied in their knowledge of unconscious bias;
- That the workforce understands how and when to use 'Stop and Search', however, the monitoring of the use of 'Stop and Search' needs to improve;
- That more needs to be done to ensure that all members of the workforce are appropriately vetted for the posts they hold. In addition, the monitoring of people who apply for roles needs to be undertaken, to see if they belong to certain protected minority groups; and
- The need to improve how it spots and manages risk of corruption and to ensure it has enough people and resources to do this work.

**HMICFRS also undertook a number of national/thematic reviews in 2021/22. Gwent were subject to:**

- April 2021 – A joint thematic inspection of the criminal justice journey for individuals with mental health needs and disorders:
  - The report was published in November 2021 and recommendations have been issued to all police forces. Gwent were commented on positively in the report with regard to the Mental Health and Learning Difficulties Criminal Justice group and mental health professionals and social workers in the control room.

### **Police and Crime Panel**

The Police and Crime Panel (the Panel) is responsible for supporting the effective exercise of the functions of the Commissioner through reviewing or scrutinising decisions made, or other action taken, by the Commissioner in connection with the discharge of his functions

The Panel is not there to scrutinise the performance of the Chief Constable and her Force directly – that is the role of the Commissioner.

The Panel is made up of twelve local Councillors, representing the Local Authorities in Gwent, along with two independent members.

The responsibilities and powers of the panel include:

- Making reports and recommendations about actions and/or decisions of the Commissioner;
- Scrutinising the draft Police and Crime Plan;
- Summoning the Commissioner, and his staff, for public questioning;
- Scrutinising and potentially, by two-thirds majority, vetoing the police budget and council tax precept;

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- Scrutinising and potentially, by two-thirds majority, vetoing the appointment of the Chief Constable;
- Holding confirmation hearings for the Commissioner's senior staff (including the Deputy Police and Crime Commissioner, the Chief Executive and the Chief Finance Officer); and
- Dealing with lower level complaints against the Commissioner.

The Panel's agendas and minutes are published on the following website:

<http://www.gwentpcp.org.uk/>

### ***During 2021/22 the work of the Panel included consideration of the following:***

- The progress on delivery of the Police and Crime Plan;
- The 2020/21 OPCC Annual Report;
- Scrutiny of OPCC evidence for monitoring Force Performance;
- Presentations on cyber-crime; policing powers; and Automatic Facial Recognition technology;
- Medium Term Financial Projections and the budget setting timetable;
- The Operational Context and Financial Strategy of the Chief Constable's budget bid
- Precept proposal 2022/23;
- Progress on the Estate Strategy;
- An update on the progress of the PCC Review;
- Strategic Equality Plan Annual Report; and
- Treasury Management Strategy;

There were 5 meetings of the Police and Crime Panel in 2021/22.

### **Coronavirus Command Structure**

In addition to the various bodies and groups which are instrumental in Governance terms during normal operations, the Force prepared for Coronavirus by instigating a new, Force-wide Gold/Silver command structure prior to 'lockdown', on March 18<sup>th</sup> 2020.

A daily Gold meeting was established to manage the Force, chaired by the Assistant Chief Constable (ACC) and also two daily Silver meetings (chaired by a Chief Superintendent or police staff equivalent) were also set up to ensure continuity of Operational Policing and Business Support functions. Each of these meetings was attended by representatives from all operational and business support functions across the force, along with the Staff Associations and a representative from the OPCC. Gold and Silver meetings ran 7 days a week until the 15<sup>th</sup> of June 2020, whereupon, they transitioned into business as usual within the Force's operational Daily Management Meeting (DMM).

In April 2021, the Force moved from daily Gold meetings within DMM to a weekly meeting that addresses issues related to the Force's Covid response. It is attended by the same representatives as were when it was daily. The Force has also dedicated the Civil Contingencies Chief Inspector to its Covid Response. He is supported by staff from the Continuous Improvement and Force Planning Departments and liaises with the Local Policing Area (LPA) Response and Neighbourhood Leads.

From December 2020 the Force implemented a 'Covid Hub' to manage all queries on infection from Force Staff and to undertake internal Contact Tracing in order to identify and respond to workplace transmission of the virus. This was initially a team of seven staff drawn from across the Force on short-term attachments. Due to abstractions and competing demand this reduced to a team of four and a commensurate reduction in its capacity and capability. Following the acceptance of a proposal made

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in March 2021, for 2021/22 this team was increased to a supervisor and seven staff who managed not only Contact Tracing, but also the new Force Testing Regime.

The National Police Coordination Centre (NPoCC) took control of National Personal Protective Equipment (PPE) supplies for policing and Gwent Police submits monthly stock figures and orders to the approved service supplier. As a result, the Force suspended local efforts to source PPE, which previously presented quality and supply chain issues.

The Force is conscious of the demands placed upon staff working from home for extended periods, particularly for those who have needed to shield. It has adopted an all-Wales risk assessment tool to ensure it provides the right level of support and advice to those who may be vulnerable. Once shielding ended, line managers undertook risk assessments to enable their staff to return to the working environment with confidence. The Force has improved its wellbeing offer to staff by approving a new staffing model with a dedicated Wellbeing Specialist and has recruited a Wellbeing Lead. Gwent Police now has a dedicated Wellbeing section on The Beat. The Force also has two Counsellors who have been reviewing and expanding the Counselling provision whilst linking in with the development of the Wellbeing Strategy.

Lessons Learned processes are in place, aligned to the College of Policing Guidance and NPCC (branded as 'Operation Talla'). There are established reporting lines in place and regular national meetings to provide a platform for discussion and regular links with police liaison in the Welsh Government, to ensure that lessons from all Forces are brought together. Any local lessons learned are registered within the Continuous Improvement Department and mitigating processes put in place. Standard Operating Procedures have been developed and are embedded to cover specific areas of policing such as the response to 'Covid Confirmed' calls for service, Test, Trace Protect (TTP) procedures for our own staff and the correct use of Personal Protective Equipment. The Civil Contingencies Chief Inspector, Health & Safety Lead, Occupational Health Manager and other key staff regular dial in to Regional and National meetings in order to capture best practice. Alongside the Strategic Coordination Group, Incident Management Teams and Tactical Coordination Groups there are also functional meetings such as the Police (Wales) TTP & Covid Working Group and The National PPE Group. The team is also working closely with specific Lessons Learned Forums such as the College of Policing Operational Learning Groups. These are workshops for all Forces in England and Wales which are thematic and relate to core areas of policing and how they have been affected by the pandemic. Contributors identify best practice and what has worked well for them and share information and documentation relating to these. The Civil Contingencies Chief Inspector is also a member of the 'Covid19 All Wales Organisational Learning Group' hosted by Dyfed Powys Police. This group reviews practices across the four Welsh Forces and allows members to bring forward local challenges and offers examples of good practice.

The Force is in the process of moving from Incident Management of the Pandemic to Recovery. Within the Local Resilience Forum (LRF) the Strategic Coordination Group chaired by a Gwent Police Chief Superintendent was stood down in April 2021. There is an LRF Recovery Group now in place, that meets Quarterly and is Chaired by the Newport City Council Chief Executive. Within Force, the Covid Gold Group still sits, chaired by a Chief Superintendent and is supplemented by a Recovery Coordination Group and Board. These will address longer term recovery issues for the Force and the communities of Gwent. The Recovery programme itself will also need to be able to mitigate against future increases in Covid cases. Throughout the pandemic the four Welsh Forces held Weekly 'All Wales Gold' Meetings between the Four Organisational Gold Commanders (represented by a Chief Superintendent for Gwent) and the Police Liaison Unit at the Welsh Government. This allowed the Forces to provide consistency of response across Wales and to identify and promulgate best practice.

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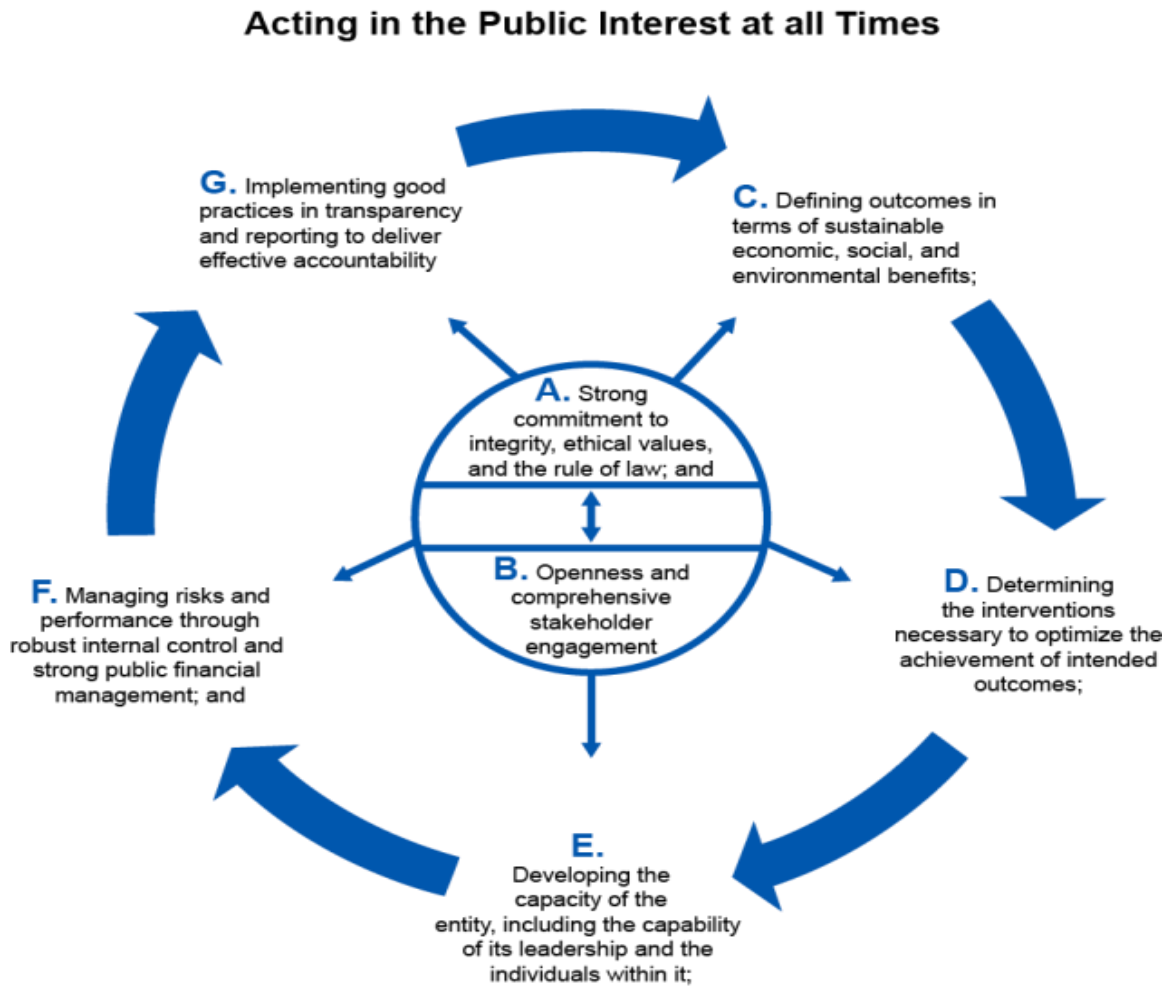
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This mirrored the approach taken by Chief Officers across Wales and ensured that the particular structure of policing in Wales under a devolved Governmental system was considered alongside UK wide approaches to policing the pandemic. This meeting was stood down in May 2021 as Forces move towards a Recovery position, but Forces retain the ability for it to be stood up again in quick time if necessary. On a more tactical level, the Civil Contingencies Leads of the Four Welsh Forces (Represented by Chief Inspector Gwent) and the British Transport Police (BTP) Operational Lead for Wales, met fortnightly from May 2020. This group is entitled 'The Police (Wales) TTP & Covid Working Group'. The group allowed those dealing with the policies and procedures concerning Covid Demand, Covid Enforcement and Infection Prevention Control to learn from each other and provide support where appropriate. This meeting will continue as we move into a Recovery phase.

**ANNUAL ASSESSMENT AND ACTION PLANS**

**Seven Core Principles of Good Governance**

The diagram below shows the relationship between the seven core principles of good governance. The central two principles underpin the whole framework and relate to ‘acting in the public interest’. These two principles are implicit in the remaining five which concern ‘achieving good governance’.



The assessment of effectiveness considered the range of evidence available: Internal and externally published material; professional independent opinion; and the views of senior management, the Police and Crime Panel and professional leads. A detailed assessment of the evidence in support of the assessment is maintained, with only the subsequent action plan produced in this Statement.

A summary of the 2021/22 assessment is shown below:

Good Governance Category		Assurance
Acting in the Public Interest	Behaving with Integrity & Ethics	TBC/Reasonable
	Openness & Engagement	TBC/Reasonable
Achieving Good Governance	Sustainable Outcomes	TBC/Reasonable
	Determine Interventions	TBC/Reasonable
	Capacity & Leadership	TBC/Reasonable
	Risks & Performance	TBC/Reasonable
	Transparency & Accountability	TBC/Reasonable



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<b>Assurance Definitions</b>	
<b>Substantial</b>	All areas reviewed were found to have effective corporate processes and external requirements in place. Behaviours and outcomes were well evidenced and the risks against the achievement of objectives are well managed.
<b>Reasonable</b>	Most areas reviewed were found to have effective corporate processes and external requirements in place. Most behaviours and outcomes were well evidenced and in general, the risks against the achievement of objectives are well managed.
<b>Partial</b>	A number of areas reviewed were found not to have effective corporate processes and external requirements in place. Some behaviours and outcomes were well evidenced, but key risks against the achievement of objectives were not well managed.
<b>None</b>	A significant number of areas reviewed were found not to have effective corporate processes and external requirements in place. Behaviours and outcomes were not well evidenced and risks against the achievement of objectives were not well managed.

**2021/22 Action Plan**

No significant weaknesses were identified for 2021/22; and no further issues identified that have not already been captured in the 2020/21 Action Plan which continue to be addressed below. For completeness however, the following table identifies the data breaches experienced during 2021/22

<b>Risks and Performance</b>	<p>During 2021/22, the OPCC experienced no data breaches.</p> <p>The Force experienced 62 data breaches during 2020/21. None of the breaches were considered high risk; therefore there was no requirement for reporting any to the Information Commissioners Office (ICO) – e.g. data breaches are recorded for such things as losing an ID card, mobile phone or ‘Body Worn Video’ device.</p> <p>All 62 breaches were assessed and closed with suitable advice given and therefore none remain open.</p>	<p>Officers and staff will continue to be reminded of the importance of security of data and the wider requirements and implications of the General Data Protection Regulations (GDPR). There are mandatory National Centre for Applied Learning Technologies (NCALT) packages, the completion of which is monitored and promoted through the Information Assurance Board.</p> <p>Details of breaches, impact, mitigation and outcome are recorded and kept by the Record Review Officer (OPCC) and Data Protection Officer (Force) in line with Management of Police</p>
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		<p>Information (MOPI) and GDPR.</p> <p>Appropriate advice is given to individuals or departments where applicable and escalated to the Professional Standards Department if necessary. The Data Incident report is monitored through the Information Assurance Board that details all data incidents reported to the Information Governance department from May 2018, when the EU GDPR came into force.</p>
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**Progress against 2020/21 Action Plan**

Category	Risk Area/Weakness	Action to be Delivered in 2021/22 and Beyond
<b>Behaving with Integrity and Ethics.</b>	<p>Agendas for formal OPCC meetings need to state that attendees ensure decisions and discussions at the meeting support and respect:</p> <ul style="list-style-type: none"> <li>• The OPCC values;</li> <li>• Our responsibilities under the Welsh Language Standards;</li> <li>• Equality, Diversity and Inclusion; and</li> <li>• The principles of the Code of Ethics: Accountability, Integrity, Openness, Fairness, Leadership, Respect, Honesty, Objectivity and Selflessness.</li> </ul>	<p>This will be implemented from 1<sup>st</sup> June 2021.</p> <p><b>2021/22 Update:</b>  <span style="color: red;">Complete – agendas for all formal OPCC meetings carry these statements.</span></p>
<b>Behaving with Integrity and Ethics.</b>	<p>OPCC Personal Development Review process to record evidence of values and ethical behaviour.</p>	<p>This will be implemented for Quarter 1 2021/22 PDR process.</p> <p><b>2021/22 Update:</b></p>

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		Complete – the OPCC Personal Development Review process now records this evidence.
<b>Determine Interventions.</b>	Further work required to demonstrate evidence that budgets, service plans and objectives are aligned	<p>The annual budget setting process adopts a ‘bottom up’ approach , with individual Department/ Workstream requirements aligned to the strategic needs of the organisation; strategic risks; and national requirements.</p> <p>Furthermore, the Finance Department play a key role in the compilation of the Force Management Statement.</p> <p>In terms of short-term co-ordinated planning, Departmental/Workstream business plans will be developed during 2021/22, which will be incorporated in the 2022/23 budget setting round and Force Management Statement.</p> <p><b>2021/22 Update:</b> Ongoing – The pilots on Departmental Plans for Finance and People Services are currently being evaluated by the Continuous Improvement Department. Improvements on the process will be incorporated in further pilots/roll-out during 2022/23 for the 2023/24 budget setting round.</p>
<b>Determine Interventions.</b>	Continue to develop exit and decommissioning strategies to evidence the resultant changes.	During 2020/21, the Commissioner revised his Commissioning Strategy and Framework, which considers in depth the

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		<p>approach to decommissioning services. It is expected that during 2021/22 this updated approach will confirm the impact of decommissioning decisions.</p> <p><b>2021/22 Update:</b>  <span style="color: red;">Complete – new Commissioning Strategy and Framework in place and embedded. Successful decommissioning of a project undertaken during 2021/22.</span></p>
<p><b>Risks and Performance</b></p>	<p>On the 23<sup>rd</sup> March 2021 there was a Treasury Management Strategy breach in the value maintained in the Commissioner’s current bank account. This was the fault of a counterparty, who did not repay a £3m loan on the day it was due. The counterparty admitted its liability and settled the overdraft fees for this breach.</p>	<p>Officers within the Finance Department have reminded the counterparty of the need for timely repayment; and Officers will also be more proactive in contacting counterparties if funds have not been repaid by 10:00 a.m. on the day due.</p> <p>Furthermore, a wider Finance Department workshop will address a number of Treasury Management processes to ensure that they are robust.</p> <p><b>2021/22 Update:</b>  <span style="color: red;">Complete – in relation to this specific event, all the above actions have been undertaken. However, the same counterparty caused a similar situation in March 2022, so a new action has been identified in the 2021/22 action plan above.</span></p>
<p><b>Risks and Performance</b></p>	<p>During 2020/21, the OPCC experienced no data breaches.</p> <p>The Force experienced 61 data breaches during 2020/21. None</p>	<p>Officers and staff will continue to be reminded of the importance of security of data and the wider requirements and</p>

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	<p>of the breaches were considered high risk; therefore there was no requirement for reporting any to the Information Commissioners Office (ICO) – e.g. data breaches are recorded for such things as losing an ID card, mobile phone or ‘Body Worn Video’ device. All 61 breaches were assessed and closed with suitable advice given and therefore none remain open.</p>	<p>implications of the General Data Protection Regulations (GDPR). There are mandatory National Centre for Applied Learning Technologies (NCALT) packages, the completion of which is monitored and promoted through the Information Assurance Board.</p> <p>Details of breaches, impact, mitigation and outcome are recorded and kept by the Record Review Officer (OPCC) and Data Protection Officer (Force) in line with Management of Police Information (MOPI) and GDPR.</p> <p><b>2021/22 Update:</b>          Complete – There are no incidents that remain open. Appropriate advice is given to individuals or departments where applicable and escalated to the Professional Standards Department if necessary. The Data Incident report is monitored through the Information Assurance Board that details all data incidents reported to the Information Governance department from May 2018, when the EU GDPR came into force.</p>
<p><b>Risks and Performance</b></p>	<p>Continue to improve benefits realisation plans and monitoring reporting</p>	<p>The Force has appointed a Benefits Realisation Officer whose aim is to improve the targeting, reporting, monitoring and delivery of benefits realisation.</p> <p><b>2021/22 Update:</b>          Complete - During the year, the Benefits Strategy has</p>

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		<p>been updated and approved through internal governance boards. The key change this year, has been the development of the Productivity and Efficiency Meeting which pre-screens benefits analysis (including in Business Cases and Post Implementation Reviews) before final submission to the Service Improvement Board. This additional level of scrutiny has improved the identification, baselining, monitoring and realisation of benefits and raised the profile of the importance of delivering organisational benefits from change investments.</p>
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Progress against 2019/20 Action Plan

Category	Risk Area/Weakness	Action to be Delivered in 2020/21 and Beyond
<p><b>Behaving with Integrity and Ethics; and Capacity and Leadership.</b></p>	<p>Need to establish the effectiveness of ethical awareness training and the degree it underpins organisational culture. (OPCC and Force)</p>	<p>The Ethics Committee will be tasked with establishing the most appropriate mechanism to determine effectiveness. Its recommended approach will be delivered as an action plan throughout 2020/21.</p> <p><b>2020/21 Update:</b>                      Ongoing - an internal Ethics Committee has been set up (chaired by the Chief Constable), which will complement the work of the external Ethics Committee (whose membership is currently under review). The remit of the new internal Ethics Committee will consider the effectiveness of ethical awareness training during 2021/22.</p>

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		<p><b>2021/22 Update:</b> Ongoing – Ethical Leadership training (and an assessment its effectiveness) will be rolled out during 2022/23.</p>
<p><b>Behaving with Integrity and Ethics; Sustainable Outcomes; and Capacity and Leadership.</b></p>	<p>Need to ensure that whistleblowing policies are in place and working effectively. (OPCC and Force)</p>	<p>The findings of the 2019/20 Internal Audit will be implemented.</p> <p><b>2020/21 Update:</b> Ongoing - the 2019/20 Internal Report recommended a standalone Whistleblowing Policy which would also adopt additional steps to clarify if a concern raised should be treated as whistleblowing, or another form of complaint. The updated policy is currently being finalised by the Professional Standards Department and Joint Legal Services.</p> <p><b>2021/22 Update:</b> Complete – Whistleblowing policies completed and published.</p>
<p><b>Risks and Performance</b></p>	<p>The effectiveness of business continuity planning needs to be assessed in light of the Coronavirus pandemic and the transition to the ‘new norm’.</p> <p>At the 30<sup>th</sup> June 2020, the direct costs of £650k in responding to the pandemic since March 2020 have been:</p> <p>£433k - PPE Purchases; £71k – Testing; £62k - ICT Costs; £52k – Overtime; £19k - Estate Costs (incl. Cleaning and H&amp;S measures; £9k - Fleet Costs; and £4k – Training Cancellations</p>	<p>Existing Internal Audit recommendations to be finalised on business continuity plan.</p> <p>The Business Support Silver group has been tasked with managing the recovery of Gwent Police. Each Department (including the OPCC) has been tasked with developing plans that will lead to:</p> <ul style="list-style-type: none"> <li>• A resumption of business as usual;</li> <li>• Anticipating and planning for a new normal;</li> </ul>

	<p>In July 2020, the Home Office confirmed that the costs of PPE will be reimbursed to Forces.</p> <p>It is expected that the above costs will also be partly offset from savings in other budget areas such as travel and subsistence, utilities etc, by virtue of lockdown restrictions.</p> <p>Looking longer term, both the Commissioner's Police and Crime Plan and Force's Delivery plan will need to reflect the changing world which will emerge post Coronavirus.</p> <p>(OPCC and Force)</p>	<ul style="list-style-type: none"> <li>• Delivering improved and transformed operating processes and procedures, building on lessons learnt and capturing and embedding good practice; and</li> <li>• An appreciation of the short-term, medium and long-term direct costs of Coronavirus to Gwent Police.</li> </ul> <p>In addition, senior leaders in both the OPCC and the Force will undertake an assessment of the longer-term disruption and consequences arising from the Coronavirus pandemic, such as:</p> <ul style="list-style-type: none"> <li>• The medium to long-term impact on Government Grant; Precept Income; expenditure projections; and access to borrowing;</li> <li>• The Impact on the Commissioner's Estate Strategy (the building of the new HQ development has been largely unaffected by the pandemic and its future use is also assured, based on currently expected changes to working practices);</li> <li>• The future reliance on ICT systems to support agile working; and</li> <li>• The impact on the People Strategy to reflect the fundamentally different working practices that have evolved as a result of the pandemic.</li> </ul> <p><b>2020/21 Update:</b></p>
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		<p>Ongoing - The Force and OPCC have successfully emerged from the first two waves of the Coronavirus pandemic. As highlighted above, in October 2020 HMICFRS undertook a Coronavirus pandemic inspection. Early feedback was very positive and Gwent Police awaits the final national report in response to the pandemic.</p> <p><b>2021/22 Update:</b> Complete – The Force and OPCC’s governance structures have evolved into recovery mode and new hybrid ways of working are delivering an effective policing service.</p>
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Progress against 2018/19 Action Plan

Category	Risk Area/Weakness	Action to be Delivered in 2019/20 and Beyond
<p><b>Behaving with Integrity and Ethics; Openness and Engagement; and Determine Interventions.</b></p>	<p>Clarity required over ‘decision making’ framework and procedures, including how evidence is collected that shared values guide decision making. (OPCC and Force)</p>	<p>Decision Making framework and procedures to be considered.</p> <p><b>2019/20 Update:</b> Partly Complete - OPCC away days have considered the purpose and values of the OPCC and also the Nolan principles. This has been supplemented by clarification of role profiles and portfolios for the Executive Team. The revised meeting structure within the Force and between the OPCC will need time to ‘bed in’ to determine its effectiveness.</p> <p><b>2020/21 Update:</b> Partly Complete - The revised meeting structure within the</p>

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		<p>Force and between the OPCC is working effectively.</p> <p>Revisions to the governance arrangements for internal OPCC meetings have been reviewed and recommended changes will be adopted from Quarter 2 of 2021/22. In addition, the agendas for formal OPCC meetings will now state that attendees ensure decisions and discussions at the meeting support the values of the OPCC.</p> <p><b>2021/22 Update:</b> Complete – the new governance arrangements for internal OPCC meetings have been concluded.</p>
<p><b>Behaving with Integrity and Ethics; Openness and Engagement; and Determine Interventions.</b></p>	<p>Protocols for Partnership working to be established; to include how values are embedded and evidenced. (OPCC and Force)</p>	<p>Partnership working protocols to be developed.</p> <p><b>2019/20 Update:</b> Ongoing – Formal protocols yet to be established. Carry forward to 2020/21 Action Plan.</p> <p><b>2020/21 Update:</b> Ongoing – a number of existing partnership arrangements (such as S22a Agreements, Memorandum of Understanding, Information Sharing Agreement) include such protocols. Current and future arrangements will be reviewed to ensure consistency and completeness in approach. Furthermore, in line with the development of the OPCC meeting’s agenda to address values and ethics, this will be expanded to encompass partnership meetings too.</p>

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		<p><b>2021/22 Update:</b> Complete – the new governance arrangements for internal OPCC meetings have been concluded and the protocols for partnership working embedded.</p>
<p><b>Determine Interventions.</b></p>	<p>Business Plans do not demonstrate consideration of 'Social Value'. (OPCC and Force)</p>	<p>Consideration should be given to embedding the concept of 'Social Value' across the OPCC and Force.</p> <p><b>2019/20 Update:</b> Ongoing – Both the Commissioning Framework and Procurement Strategy consider the wider social elements and provide the main general commitment to social value. In addition Gwent Police has signed up to the Welsh Government Code of Practice on ethical supply chains. Further embedding of this concept could be through the development of a Social Value Policy. Carry forward to 2020/21 Action Plan.</p> <p><b>2020/21 Update:</b> Ongoing - this requirement will be included in both the business planning process and benefits realisation strategy, which are being developed during 2021/22.</p> <p><b>2021/22 Update:</b> Complete – Social Value workshops held across both the Force and OPCC and Social Value is now built into the Commissioning Framework and Tender evaluation scoring.</p>

**FM Code**

In the development of the FM Code, CIPFA has considered its ambition; the timescale for implementation; and the wider resource challenges facing relevant public bodies in light of the Coronavirus pandemic. Consequently, CIPFA considered that the implementation date of April 2020 for the FM Code should indicate the commencement of a shadow year and that by 31<sup>st</sup> March 2021, relevant public bodies (including Gwent Police) should be able to demonstrate that they are working towards full implementation of the FM Code. The first full year of compliance with the FM Code will therefore be 2021/22.

As Gwent Police needed to apply the requirements of the FM Code with effect from 1<sup>st</sup> April 2020, the 2020/21 budget setting process provided an opportunity for assessment of elements of the FM Code before April 2020 and provided a platform for good governance and financial management to be demonstrable throughout 2020/21.

The expectation of the FM Code is that relevant public bodies will have to comply with all the financial management standards, if they are to demonstrate compliance with the FM Code. It is important to note however, that whilst compliance with the CIPFA financial management standards is obligatory, the FM Code is not prescriptive about how this is achieved. This is important as CIPFA recognises that policing has in some respects, different practices from other public bodies such as Local Authorities. It must also be noted that compliance with FM Code has not been subject to audit by AW.

Following the first full year of compliance, Gwent Police’s 2021/22 assessment against the FM Code’s financial management standards is detailed below. A detailed assessment of the evidence in support of the assessment is maintained, with only the subsequent action plan produced in this Statement.

FM Code Sections and Standards		Principle	Assurance
<b>The Responsibilities of the Chief Finance Officer and Leadership Team</b>	The leadership team is able to demonstrate that the services provided by the authority provide value for money.	Leadership	Reasonable
	The authority complies with the CIPFA <i>Statement on the Role of the Chief Finance Officer in Local Government</i> .	Leadership	Substantial
<b>Governance and financial management style</b>	The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.	Assurance	Substantial
	The authority applies the CIPFA/SOLACE <i>Delivering Good Governance in Local Government: Framework</i> (2016).	Accountability	Substantial

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	The financial management style of the authority supports financial sustainability.	Sustainability	Reasonable
<b>Long to medium-term financial management</b>	The authority has carried out a credible and transparent financial resilience assessment.	Assurance	Partial
	The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.	Sustainability	Substantial
	The authority complies with the CIPFA <i>Prudential Code for Capital Finance in Local Authorities</i> .	Standards	Substantial
	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.	Sustainability	Reasonable
<b>The annual budget</b>	The authority complies with its statutory obligations in respect of the budget setting process.	Standards	Substantial
	The budget report includes a statement by the Chief Finance Officer on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves.	Standards	Substantial
<b>Stakeholder engagement and business plans</b>	The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.	Transparency	Substantial
	The authority uses an appropriate documented	Transparency	Reasonable

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	option appraisal methodology to demonstrate the value for money of its decisions.		
<b>Monitoring financial performance</b>	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.	<b>Assurance</b>	<b>Reasonable</b>
	The leadership team monitors the elements of its balance sheet that pose a significant risk to its financial sustainability	<b>Leadership</b>	<b>Substantial</b>
<b>External financial reporting</b>	The Chief Finance Officer has personal and statutory responsibility for ensuring that the statement of accounts produced by the local authority complies with the reporting requirements of the <i>Code of Practice on Local Authority Accounting in the United Kingdom</i> .	<b>Accountability</b>	<b>Substantial</b>
	The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions.	<b>Accountability</b>	<b>Substantial</b>

<b>Assurance Definitions</b>	
<b>Substantial</b>	All areas reviewed of the organisation's financial management arrangements were found to comply with the FM Code.
<b>Reasonable</b>	Most areas reviewed of the organisation's financial management arrangements were found to comply with the FM Code.
<b>Partial</b>	Most areas reviewed of the organisation's financial management arrangements were found not to comply with the FM Code.
<b>None</b>	All areas reviewed of the organisation's financial management arrangements were found not to comply with the FM Code.

No significant weaknesses were identified for 2021/22; and no further issues identified that have not already been captured in the 2020/21 Action Plan which continue to be addressed below.

**Progress against 2020/21 Action Plan**

Category	Risk Area/Weakness	Action to be Delivered in 2021/22 and Beyond
<p><b>The leadership team is able to demonstrate that the services provided by Gwent Police provide value for money.</b></p>	<p>Is Gwent Police able to demonstrate the action that it has taken to promote value for money and what it has achieved?</p>	<p>Continue the need to document benefits and savings, particularly in relation to post implementation reviews and reporting to Service Improvement Board (SIB).</p> <p>Develop and incorporate more fully the links between the Force Management Statement, budget setting, people establishment and performance monitoring.</p> <p>Maintain the focus on making appropriate risk-based decisions on opportunities for savings through governance groups and Chief Officer Team meetings.</p> <p><b>2021/22 Update:</b>  Partly Complete - During the year, the Benefits Strategy has been updated and approved through internal governance boards. The key change this year, has been the development of the Productivity and Efficiency Meeting which pre-screens benefits analysis (including in Business Cases and Post Implementation Reviews) before final submission to the Service Improvement Board. This additional level of scrutiny has improved the</p>

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		<p>identification, baselining, monitoring and realisation of benefits and raised the profile of the importance of delivering organisational benefits from change investments.</p> <p>Post Implementation Reviews have been focussed upon the changes coming from the 2020/2021 Operational Model and uplift investments. Benefits have been achieved from the implementation of Police Staff Investigators; 'We don't buy Crime' teams; Safeguarding Teams; developments in technology; and implementation of Microsoft Office 365.</p> <p>The full roll-out of Departmental Plans in 2022/23, which will better link the Force Management Statement; budget setting; people establishment and performance monitoring will complete this action.</p>
<p><b>The financial management style of Gwent Police supports financial sustainability.</b></p>	<p>Do managers across Gwent Police possess sufficient financial literacy to deliver services cost-effectively and to be held accountable for doing so?</p>	<p>Development of financial management skills across the force through internal training and CIPFA's Achieving Financial Excellence in Policing phase 2 workshops.</p> <p><b>2021/22 Update:</b> Ongoing - Training is provided based on needs assessment for individual officers/staff and departments. This can be for specific deployments, operations or grant</p>



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		<p>projects. Further work is being scoped to incorporate financial training into existing development programmes for officers and staff. Finance business partners have been very active in the past 12 months to improve budget holders' understanding of their budgets, and monthly financial and overtime reporting.</p>
<p><b>Gwent Police has carried out a credible and transparent financial resilience assessment.</b></p>	<p>Has Gwent Police undertaken a Financial Resilience Assessment?</p> <p>Has the Assessment tested the resilience of Gwent Police's financial plans to a broad range of alternative scenarios?</p> <p>Has Gwent Police taken appropriate action to address any risks identified as part of the assessment?</p>	<p>The CIPFA Financial Resilience Assessment toolkit has not been extended to cover local policing bodies. The Financial Management sub group of the Achieving Financial Excellence in Policing is endeavouring to produce a tool kit but this has yet to be tested. A review will be undertaken as soon as the toolkit is ready.</p> <p><b>2021/22 Update:</b> Ongoing - The CIPFA Financial Resilience Assessment toolkit has not been extended to cover local policing bodies, although a policing version is currently out for consultation. The Force has made use of the CIPFA data dashboards and data analytics platforms to review and understand the cost breakdown of business support functions. This built on the indicators from the HMICFRS VFM profiles analysis. The results of that review were used as part of the discussions around cost</p>

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		pressures and savings areas during the 2022/23 budget setting and MTFP processes.
<b>Gwent Police has a rolling multi-year medium-term financial plan consistent with sustainable service plans.</b>	Is the medium-term financial plan consistent with and integrated into relevant service plans and its capital strategy?	<p>Considerable work has been undertaken to align the MTFP with the Force Management Statement over the last year and indeed is considered alongside the Reserves and Capital Strategies. Further work planned to better link operational plans to resources and strategies.</p> <p><b>2021/22 Update:</b> Ongoing – The pilots on Departmental Plans for Finance and People Services are currently being evaluated by the Continuous Improvement Department. Improvements on the process will be incorporated in further pilots/roll-out during 2022/23 for the 2023/24 budget setting round.</p>
<b>Gwent Police uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.</b>	Does the authority have a documented option appraisal methodology that is consistent with the guidance set out in IFAC/PAIB publication ‘Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal’?	<p>Arrangements for assessing significant changes are well developed and overseen by an active Service Improvement Department. Projects are managed using Prince2, UK Government Green Book and other relevant guidance and processes. All Programmes have documented assessment of impact / benefits at all stages, with regular reporting during the project and post implementation review reporting to governance</p>

		<p>boards, primarily Service Improvement Board. Gwent Police will continue to develop options appraisal and business templates to present HR and Finance implications more clearly.</p> <p>The Service Improvement Department have recently set up a bespoke Benefits Realisation Officer to ensure that change programmes deliver on expected outcomes.</p> <p><b>2021/22 Update:</b> Complete - Following the implementation of the Productivity and Efficiency Board, documentation has been developed and used within Change Management to support the approach. The Benefits approach is outlined in Project Initiation Documents and this follows through to the development of benefits strategy templates which are included in Business Cases. At this stage, benefits are baselined then during implementation data is captured on benefits performance, which leads to the Post Implementation Review process. The Benefits Officer keeps a central repository of programme benefits. The Head of Change also support the Finance Department in the identification and progression of financial benefits, which are recorded within the Force's savings tracker.</p>
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	<p>Does the authority offer guidance to officers as to when an option appraisal should be undertaken?</p> <p>Does the authority’s approach to option appraisal include suitable mechanisms to address risk and uncertainty?</p>	<p>Arrangements are strong but can be clarified so that all projects/business cases presented to Service Improvement Board are reviewed by Service Improvement.</p> <p>Communications will be reinforced.</p> <p><b>2021/22 Update:</b>                  Complete - The Force has an embedded governance process for the progression of organisational change, supported through the Governance process to Service Improvement Board. The Change Programme is developed on a rolling three-year programme and is continually updated to ensure changing legislation or strategy is included. There is a yearly audit of the programme delivery and methodology and reassurance received.</p> <p>Associated risks are considered throughout the process. However, further work is required to reflect monetary and non-monetary impacts of risk in the appraisal processes.</p> <p><b>2021/22 Update:</b>                  Complete - All Business Cases that are developed undertake a quality assurance and sign-off process before they are submitted through the governance process. This includes sign-off on the data and evidence base, as</p>
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		<p>well as the risk, benefits analysis and full stakeholder engagement process. The approach taken is outlined with the Organisational Change Governance strategy, which is reviewed and updated annually.</p>
<p><b>The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.</b></p>	<p>Is the leadership team happy with the reports that it receives and with its ability to use these reports to take appropriate action?</p>	<p>Further work is ongoing to provide more detailed financial reporting and also the timely ability to reinvest in year surpluses.</p> <p><b>2021/22 Update:</b>  Ongoing - Changes to the force operating model mean the wider reporting requirements of senior officers and staff on performance, people, and finance are being adapted across the force. Specifically, in relation to finance, work continues to develop internal force reporting on finance and overtime figures, including the Qlikview platform for accessing the data. Finance reports on the in-year financial position to governance boards and chief officers remain fit for purpose.</p>

**CONCLUSION AND OPINION**

The Commissioner and Chief Constable are responsible for ensuring that their business is conducted in accordance with the law and proper standards; and that public money is safeguarded, properly accounted for; and used economically, efficiently and effectively. In discharging this overall responsibility, they are responsible for putting in place proper arrangements for the governance of their affairs, facilitating the effective exercise of their functions, which includes arrangements for the management of risk.

The impact of the Coronavirus pandemic, at the time of signing this Statement, has not adversely impacted upon the governance arrangements in place. Indeed, recent investment in digital and mobile technology, coupled with ‘cultural’ investment in agile working practices, has enabled both

corporations sole to minimise disruption, maintain 'business as usual and to identify opportunities for making greater efficiencies.

This Statement is designed to manage rather than eliminate the risk of failure to achieve these objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

However, based upon the above review of the sources and effectiveness of assurance set out in this Statement, the Commissioner and Chief Constable are satisfied that they have in place 'Reasonable ' governance arrangements, including appropriate systems of internal control and risk management, which facilitate the effective exercise of their functions.

The Commissioner and Chief Constable propose over the coming year to take steps to address the Governance actions as outlined in the action plan, which will further enhance the governance arrangements in place. The monitoring of their implementation and operation will form part of the next annual review.

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Police and Crime Commissioner for Gwent

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Chief Finance Officer (Commissioner)

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Chief Executive (Commissioner)

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Chief Constable of Gwent

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Chief Finance Officer (CC)