



Internal Audit

FINAL

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

Summary Internal Controls Assurance (SICA) Report

2021/22

May 2022

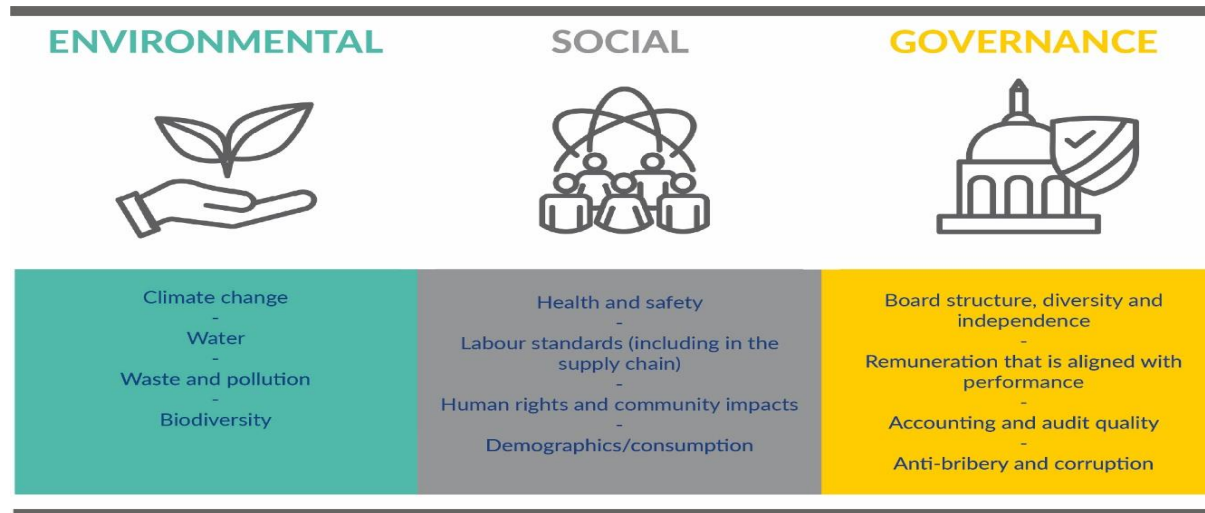
Summary Internal Controls Assurance

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 24th May 2022.

Emerging Governance, Risk and Internal Control Related Issues

2. Sustainability is becoming an ever more important consideration for organisations with the efforts of all sectors to reduce their emissions on a much bigger scale being integral to ensuring that global warming stays within the 1.5°C limit highlighted by the IPCC report and adopted by COP26. The increasing importance of Environmental, Social and Governance (ESG) objectives, as well as the introduction of reporting frameworks, both voluntary and mandatory, highlights the need for organisations to demonstrate greater transparency for their stakeholders. The need for strategic direction and the existence of risks and opportunities within ESG means that the Board and Audit Committee’s role is integral in setting the ESG agenda.



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
Collaborative - Debtors	Substantial	23 rd February 2022	14 th March 2022	15 th March 2022	0	0	1	0
Follow Up Review – Q4	N/A	11th April 2022	14 th April 2022	21 st April 2022	-	-	-	-
Collaborative – Electronic Time Management	Reasonable	29 th March 2022	6 th April 2022	27 th April 2022	0	1	1	1
Firearms Licensing	Reasonable	11 th April 2022	17 th May 2022	18 th May 2022	0	1	1	0

Note 1: Collaborative – Electronic Time Management recommendations are generic and relate to GWP & SWP.

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 A.

Changes to the Annual Plan 2021/22

6. No further changes have been made to the 2021/2022 Plan. Progress against the 2021/22 Plan is shown in Appendix A. The 2022/23 Plan was presented to the previous Joint Audit Committee and provisional dates have been shared for the reviews. These are listed as Appendix B.

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	9% (1)	33% (2)	40% (2)	↔	
Risk Mitigation	-	n/a	9% (1)	-	-	↔	
Control Compliance	57% (8)	n/a	55% (6)	50% (3)	60% (3)	↑	
Delivery							
Performance Monitoring	14% (2)	n/a	27% (3)	-	-	↔	
Financial Constraint	7% (1)	n/a	-	-	-	↔	
Resilience	-	n/a	-	17% (1)	-	↓	

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
More than 75% of larger charities targeted by cyber criminals since last year
Deadline for Withdrawal of Old Style £20 and £50 Notes
Increased Cyber Security Risks
Guidance to public bodies in Wales

Fraud Alert
Council Tax Rebate Scam
Payment Terminal Machines
Cyber Attack Threat Heightened
Scam Texts and Phone Number Cloning for COVID Tests
Reduced UK Terrorism Threat Level
NCSC SMS and Telephone Best Practice Guidance

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.

Progress against Annual Plan 2021/22

System	Planned Quarter	Current Status	Comments
Business Continuity Recovery Planning	1	Final report issued 29 th September 2021	Presented to December 2021 JAC
Risk Management – Reporting Mechanisms	1	Final report issued 6 th October 2021	Presented to December 2021 JAC
Fleet Management – Single System Electric Vehicles	1	Final report issued 3 rd November 2021	Presented to December 2021 JAC
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. A further request has been received to defer again to Q1 2022/23
Service Improvement Board themes	2	Final report issued 29 th September 2021	Presented to December 2021 JAC
Vetting	2	Final report issued 29 th September 2021	Presented to December 2021 JAC
Estate Management - Delivery	2	Fieldwork ongoing	Report due shortly
Follow Up Quarter 2	2	Final report issued 5 th November 2021	Presented to December 2021 JAC
HR Management – Absence Management	3	Final report issued 4 th November 2021	Presented to December 2021 JAC
HR Management – Recruitment and Training*	3	Fieldwork ongoing	Report due shortly
Firearms Licensing	4	Final report issued 18 th May 2022	
Follow up – Quarter 4	4	P Final report issued 21 st April 2022	
Collaborative Audits			
Collaborative- Counter Fraud (Anti-Fraud Procurement)	± 3	Fieldwork ongoing	Report due shortly
Collaborative- Pensions – All Wales Pension Board	2	Final report issued 11 th November 2021	Presented to December 2021 JAC
Collaborative- Safety Camera Partnership	2	Final report issued 23 rd November 2021	Presented to December 2021 JAC

System	Planned Quarter	Current Status	Comments
Collaborative- Automatic Number Plate Recognition (ANPR)	2	Final report issued 12 th January 2022	Presented to March 2022 JAC
Collaborative- Agile Working	2	Final report issued 1 st October 2021	Presented to December 2021 JAC
Collaborative- Electronic Time Management	2	Final report issued 27 th April 2022	
Collaborative- General Ledger	3	Final report issued 25 th November 2021	Presented to December 2021 JAC
Collaborative- Debtors	3	Final report issued 15 th March 2022	
Collaborative- Fixed Assets	3	CANCELLED	Replaced by Firearms Licensing
Collaborative- Payroll	3	DEFERRED To Q2 2022/23	
Collaborative- Creditors	3	DEFERRED to Q2 2022/23	Lead Force – SWP Delayed due to AC illness
Collaborative- Budgetary Control	3	Final report issued 26 th January 2022	Presented to March 2022 JAC
Collaborative- Treasury Management	3	Final report issued 2 nd February 2022	Presented to March 2022 JAC

KEY:

	To be commenced		Site work commenced		Draft report issued		Final report issued
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Progress against Annual Plan 2022/23

System	Planned Quarter	Current Status	Comments
Contract Management	1	Planned 13th June 2022	
Social Media	2	Planned 30 th August 2022	
General Ledger	2	Date to be confirmed	
Follow Up - Mid Year	2	Planned 22 nd August 2022	
Estates Strategy	3	Planned 12 th December 2022	
Local Policing – Property and Cash	3	To be confirmed	
Follow Up – Quarter 4	4	Planned 30 th January 2023	
Collaborative Audits			
Data Quality	1	Date to be confirmed	
Expenses and Additional Payments	2	Planned 4 th July 2022	
Uncertainty Management – Mitigating Risk	2	Planned 18 th July 2022	
Fixed Assets	2	Planned 28 th July 2022	
Creditors	2	Planned 8 th September 2022	
Service Improvement Board	2	To be confirmed	
Payroll	3	Planned 5 th October 2022	
Capital Programme	3	Planned 31 st October 2022	
Counter Fraud (Anti-Fraud Procurement)	3	Planned 21 st November 2022	
Fleet Management – Repairs and Maintenance	3	Planned 12 th December 2022	

System	Planned Quarter	Current Status	Comments
Fleet Management - Strategy	3	Date to be confirmed	
HR – Use of OLEEO	4	Planned 26 th January 2023	
Contingency	1-4		6 days to be used as required.
Annual Plan	1		
Annual Report	4		
Management	1-4		




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)



Date Issued	CBN Ref	Subject	Status	TIAA Comments
06/04/22	CBN22015	More than 75% of larger charities targeted by cyber criminals since last year		<p>Action Required - Urgent</p> <p>Audit Committees and Boards are recommended to seek assurance that IT security remains on the agenda, and to seek assurances checked that systems are patched, monitored, and backed up. IT Disaster Recovery plans should be regularly reviewed to keep up to date, and subject to table-top exercise testing, ideally using a malware incident scenario such as the NCSC's "Exercise in a box".</p> <p>Link: More than three-quarters of larger charities have been targeted by cyber criminals in past year Third Sector</p>
04/04/22	CBN22014	Deadline for Withdrawal of Old Style £20 and £50 Notes		<p>Information Only</p> <p>This is for information purposes. All staff within affected service lines such as cashiers, retail assistants and other should be made aware of the process for handling withdrawn notes. All relevant notes held should be banked before 30th September 2022.</p> <p>Link: Deadline for withdrawal of old style £20 and £50 notes</p>
04/03/22	CBN22010	Increased Cyber Security Risks		<p>Action Required - Urgent</p> <p>Organisations are advised to review their key operational Cybersecurity arrangements and take appropriate remedial action.</p> <p>Link: https://www.ncsc.gov.uk/guidance/actions-to-take-when-the-cyber-threat-is-heightened</p>

Date Issued	CBN Ref	Subject	Status	TIAA Comments
24/02/22	CBN22009	Guidance to public bodies in Wales		<p>Action Required - Not Urgent</p> <p>Audit Committees and Boards/Governing Bodies are advised to consider the principles within their own systems of control and operational practices.</p> <p>Link: Principles of Good Administration & Good Records Management Matters</p>

Summary of recent Fraud Alerts

Ref	Subject	Status	TIAA Comments
04/05/2022	Council Tax Rebate Scam		<p>Action Required</p> <p>Earlier on this year, the Government announced a £150 energy rebate for homes in council tax bands A to D, to help people cope with the escalating cost of living prices. Around 80% of households will benefit from this rebate.</p> <p>However scammers are cold-calling people asking for their bank details to receive the £150 rebate, and a scam email is also in circulation.</p>
03/05/2022	Payment Terminal Machines		<p>Action Required</p> <p>The NHS Counter Fraud Authority has issued guidance to prevent the fraudulent use of payment terminal machines. This was following an incident at an NHS Trust, but any organisation that uses the payment terminals could be a target.</p>

Ref	Subject	Status	TIAA Comments
15/03/2022	Cyber Attack Threat Heightened		<p>Action Required</p> <p>The National Cyber Security Centre (NCSC) has advised that all organisations should follow NCSC guidance and act on improving their resilience following Russia’s attack on Ukraine.</p> <p>While the NCSC is not aware of any current specific threats to UK organisations in relation to events in Ukraine, the NCSC has advised that there has been an historical pattern of cyber attacks on Ukraine with international consequences.</p> <p>The guidance encourages organisations to follow actionable steps that reduce the risk of falling victim to an attack.</p> <p>The guidance includes:</p> <ul style="list-style-type: none"> • Balancing cyber risk and defence. When the threat is heightened, prioritise necessary cyber security work and temporarily boost defences to give organisations the best chance of preventing a cyber attack when it is more likely, and recovering quickly when it happens. • Factors affecting an organisations’s cyber risk. Diverse factors which include geopolitical tensions mean that organisations must take steps to respond to events. <p>Actions and advance actions to take: The guidance provides a detailed list of what all organisations should be doing as a priority.</p>
24/02/2022	Scam texts and phone number cloning for COVID tests		<p>Action Required</p> <p>TIAA Anti-Crime Specialists have been alerted to a new scam.</p> <p>The victim reported receiving a text requesting payment for COVID tests.</p> <p>Given the recent news that free COVID tests are coming to an end, the victim clicked on the link in the text.</p> <p>Then the victim received a phone call purporting to be from their bank advising of suspected fraud and that they needed to protect their accounts.</p> <p>The caller advised the victim to check the number that they were calling from against the bank website to prove that it was genuine.</p> <p>The victim did check and it was the same number that was calling them.</p> <p>However the caller, who was a fraudster had cloned the bank telephone number when making the call.</p> <p>The victim then became suspicious and later reported the incident to the bank who advised that this was a known scam.</p>

Ref	Subject	Status	TIAA Comments
14/02/2022	Reduced UK Terrorism Threat Level		<p>Action required:</p> <p>The Joint Terrorism Analysis Centre (JTAC) has reduced the UK national terrorism threat level from SEVERE to SUBSTANTIAL. This means that a terrorist attack in the UK is likely.</p> <p>JTAC previously raised the UK National Threat Level from SUBSTANTIAL to SEVERE following two terrorist attacks in the UK in quick succession, in October and November 2021. When the threat level is at SEVERE it means an attack is highly likely.</p> <p>JTAC keep the threat level under constant review based on the very latest intelligence and analysis of internal and external factors which drive the threat.</p> <p>Any reduction in the threat level is positive but it must never make us complacent. Terrorism remains one of the most direct and immediate risks to our national security. The public should remain alert, but not alarmed, and report any concerns they may have.</p>
03/02/2022	National Cyber Security Centre: SMS & Telephone Best Practice Guidance		<p>Action Required</p> <p>The National Cyber Security Centre (NCSC) has just published new guidance to assist in the fight against scams, and all organisations can play their part as the number of dodgy text messages (SMS) and phone calls increase. Fraudsters are willing to exploit trusted brands, especially large organisations such as the NHS, for their own financial gain.</p>