**OFFICE OF THE POLICE AND CRIME COMMISSIONER**

**OFFICE OF THE CHIEF CONSTABLE**

**JOINT AUDIT COMMITTEE**

30th January 2025

Present: D Turner (Chair) – Business Assurance Framework

and Sustainability Lead (DT)

A Blackmore – Risk Management/Business Assurance Framework/Treasury Management (AB)

 Dr J Wademan – ICT and Change/Project Management Lead (JW)

A Johns – Internal Audit, Governance and Estate Lead (AJ)

Together with: E Thomas - Deputy Police and Crime Commissioner (DPCC)

D Garwood-Pask – Chief Finance Officer– (CFO (OPCC))

 M Hobrough, Chief Constable (CC)

M Coe – Chief Finance Officer – (CFO (CC))

M Yasir, Interim Head of Finance (HoF)

D Williams – Audit Wales (AW)

S Gourlay – (TIAA)

N Warren - Governance Officer (GO)

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| The meeting was held on Teams and commenced at 12:30am.  | **Action** |
| 1. **APOLOGIES**
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| Apologies for absence were received from G Watts, JAC Member, Finance and External Audit Lead, J Mudd, Police and Crime Commissioner, N Brain, Deputy Chief Constable, V Townsend, Temporary Assistant Chief Constable – Operational, N McLain, Temporary Assistant Chief Constable – Organisation, C Bates, Audit Wales, S Curley, Chief Executive, J Regan, Head of Assurance and Compliance, K Thomas, Change Management Manager, R Harries, Audit Wales, G Gray, His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services Force Liaison Lead and Mike Corcoran, Internal Audit, Torfaen County Borough Council.  |  |
| 1. **DECLARATIONS OF INTEREST**
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| There were no advance declarations made in relation to the business to be transacted. |  |
| 1. **EXTERNAL AUDIT**
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| The Committee received the draft ISA260 report.AW summarised the position of the ISA260 and confirmed that Audit Wales were proposing an unqualified audit opinion on the PCC and CC sets of accounts. The introduction on page 5 stated that the work was largely complete apart from two elements, however, those elements had subsequently been completed. The ISA260 had been discussed with the CFOs, the JAC Accounts Lead, the JAC Chair and during the JAC pre meet. AW confirmed the audit and accounts deadlines 2024/25 would move forward to 31st October 2025 for final certification and lessons learned from this year’s process should assist with meeting that deadline. Post Project Learning (PPL) sessions would be held internally and across Welsh Policing, as was usual practice to further improve the process. There were misstatements identified during the audit process which had been corrected by Management, as referenced in appendix 5 of the report. A signed letter of representation was required from the Police and Crime Commissioner and the Chief Constable alongside the signed Statement of Accounts and the Annual Governance Statement. Overall, AW were satisfied the accounts showed a true and accurate reflection of the accounts. Therefore, the audit was complete and the accounts were to be certified by the Auditor General on the 31st January 2025 following approval. JW referred to page 10 of the report and noted there were two signatures required from the CFO (OPCC) and requested clarification as to why the dates differed as this could be confusing for a member of the public when reading the document. The CFO (OPCC) confirmed that only the CFO signed the draft accounts on behalf of himself and secondly the PCC – hence signing twice. Secondly, the first date related to the signing of the draft set of accounts and second date was to sign off the final accounts. It was agreed that further narrative could be provided on the OPCC website to clarify this. DT sought confirmation that the corrections resulting from information received from South Wales Police (SWP) would be included in the Lessons Learned, AW confirmed that it would be included. AW advised there was a All-Wales PPL this week where issues related to collaboration were discussed and as a result the four Welsh Forces would be working more closely on this area going forward. The HoF confirmed there was a strong appetite for all four Forces to work together to focus on this area.DT welcomed a greater focus on collaboration, as the JAC members had raised that there should be greater clarity in relation to collaboration costs in terms of timely transparency and the benefits at previous JAC meetings and JAC All Wales Training Days. | **Action****CFO-OPCC****Action**  |
| 1. **STATEMENT OF ACCOUNTS AND ANNUAL GOVERNANCE STATEMENT**
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| The Committee received the Statement of Accounts and the Annual Governance Statement.Our attention was drawn to related parties and potential conflicts of interest. JW referred to one of the JAC members being a member of another Committee containing a conglomeration of 10 or more different organisations that could have influence and asked if there were no transactions listed because there had been no transactions between the Force and that organisation as a corporate sole. The CFO (CC) confirmed it was because there had been no transactions. The CFO (CC) informed the Committee that a number of the JAC members sat on other similar Committees in an advisory capacity with no decision making powers. The CFO (CC) asked AW to ensure related parties formed part of the AW PPL sessions to provide additional clarity on what should be disclosed in the accounts. JW stated that the culture of working together in previous years was exemplary and therefore they were confident that the new deadline could be met. The CFO (OPCC) thanked all involved in ensuring the deadline was met and reiterated that they were in good position to meet the earlier deadline for 2024/25.The CFO (OPCC) referred to the misstatements, where 16 of the 28 were related to collaboration, data for which Gwent were reliant upon external sources and assured the Committee this would be addressed with partners at various levels such as AW PPL sessions, Heads of Finance and by Welsh CFOs through the Welsh Police and Finance Resources Group.The CFO (OPCC) thanked G Watts, the JAC Accounts Lead for their support with the Annual Governance Statement and assisting to further demonstrate effectiveness of the governance arrangements. JAC members emphasised the importance of the interim audit to support exemplar processes and welcomed its re-introduction. The CFO (OPCC) requested confirmation of the interim audit date in February and AW confirmed this would be arranged shortly. The CFO (CC) advised the Committee the Finance Team plan to produce a set of draft accounts by the 30th June as in previous years and thanked all involved for their support and assistance throughout the process. Our attention was drawn to the narrative at Note 36, Defined Benefit Pension Scheme stating ‘disclosure added to reflect the Virgin Media Ruling and the potential liability’, including an explanation to ensure users of the financial statements fully understood the potential future liability. DT noted this ruling may have an impact on other schemes but having read Note 36 there was no impact at all in the Force. AW confirmed the request for disclosure was standard in this year’s audit in relation to the ruling. The CFO (OPCC) confirmed this was a generic disclaimer.  | **AW****AW****Action** |
| 1. **ANY OTHER BUSINESS**
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| The JAC members acknowledged the ISA260 contained some issues, albeit not significant and expressed their thanks to all involved for achieving a positive outcome.The CC offered their sincere thanks to all involved for their hard work and for the scrutiny provided by the JAC members in conducting their audit duties. The JAC members thanked G Watts, the JAC Lead for the comprehensive and professional note provided to them, enabling them to reflect appropriately on the accounts. |  |
| **The meeting concluded at 13.00** |  |