

OFFICE OF THE POLICE AND CRIME COMMISSIONER
OFFICE OF THE CHIEF CONSTABLE

JOINT AUDIT COMMITTEE

1st March 2021

Present: Mrs D Turner (Chair)
Mr J Sheppard, Mr A Blackmore, Mr R Leadbeter and Dr J Wademan

Together with: Mr J Cuthbert – Police and Crime Commissioner (PCC)
Ms E Thomas – Deputy Police and Crime Commissioner (DPCC)
Mr D Garwood-Pask – Chief Finance Officer (CFO)
Mrs S Curley – Chief Executive (CEX)
Mrs J Regan – Head of Assurance and Compliance (HoA&C)
Mrs N Warren – Governance Officer (GO)
Ms A Blakeman – Deputy Chief Constable (DCC)
Mr N Stephens – Assistant Chief Officer, Resources (ACOR)
Mr N McLain – Head of Continuous Improvement (HoCI)
Mr M Coe – Head of Finance (HoF)
Mrs T Veale – Audit Wales (AW)
Mrs H Cargill – (TIAA)
Mr D Taylor – Chief Inspector, Civil contingencies (DT)
Mr A Tuck – Detective Chief Inspector, Crime Operations

The meeting was held online via Teams due to the Coronavirus Pandemic and commenced at 10:00am. Ms E Thomas, Deputy Police and Crime Commissioner, Ms A Blakeman, Deputy Chief Constable and Mr N McLain, Chief Superintendent had to leave the meeting early due to other work commitments, so we agreed to re-order the agenda accordingly.

APOLOGIES

Action

1. Apologies for absence were received from Ms P Kelly, Chief Constable, Ms H Williams and Ms A Harkin, Audit Wales.

We agreed to take **item 3, Appointment of Chair and item 4 Appointment of Vice-Chair** on the agenda first.

APPOINTMENT OF CHAIR

2. The CFO informed us that as per the Joint Audit Committee (JAC) Terms of Reference (ToR), the appointment of the Chair and Vice-Chair needed to be undertaken annually. We noted that the Chair may be re-elected but could serve no more than 3 consecutive years, other than in exceptional circumstances.

We agreed to nominate the current Chair, Mrs D Turner to the role for the coming financial year; she accepted the nomination and subsequent appointment to the role of Chair. We thanked the Chair for her work in guiding the Committee over the previous year since March 2020.

Action

APPOINTMENT OF VICE CHAIR

3. Dr J Wademan was nominated and accepted the appointment as Vice-Chair for the ensuing year.

DECLARATIONS OF INTEREST

4. There were no advance declarations made in relation to the business to be transacted.

MINUTES

5. The minutes of the meeting held on 10th December 2020 were received and confirmed.

ACTIONS

6. We received and noted the actions from the meeting held on 10th December 2020 and actions outstanding from earlier meetings.

Action 1, 7th October 2020 External Audit Update Report and the Annual Audit of Financial Statements ISA260

We requested an update on the findings of the Shared Resource Service (SRS) review, as the third workshop was yet to take place. AW advised us that two of the three workshops had been conducted and the third had been delayed due to Covid19. AW were waiting for Strategic Board Group members to confirm the date of the next workshop, in order to conclude their review. We queried if the review was considered a priority by the Strategic Board and the ACOR informed us that other priorities had superseded the final session as a result of Covid19. However, the Board Members were still fully committed to the review, as the findings of the previous sessions with AW had already resulted in improvements in terms of changes in reporting processes and structures within SRS.

Action 2, 7th October 2020 Statement of Accounts 2019/20

An update was requested on the simplification of the Statement of Accounts, as the existing full Statement of Accounts was very complex. The CFO informed us that following a discussion at the Welsh Police and Finance Resources Group (WPRFG) in February 2021, it was acknowledged that standardising the Statement of Accounts on an all Wales basis would aid the production of a simplified summary of the accounts for public consumption. This piece of work will be taken forward by the South Wales Police Finance Department and an update would be provided at the following meeting.

We agreed the action relating to the reconciliation of laptops could be closed as significant progress had been made in this area.

Action

Action 1, 11th June 2020, Internal Audit (TIAA)

We agreed the action could be closed as the Post-Project learning session in relation to financial resilience had been postponed. AW advised us there would be some input on Financial Resilience at the JAC Training Day on the 23rd March 2021.

Action 7, Internal Audit

Torfaen County Borough Council (TCBC) – We agreed this action would remain open until TCBC Internal Audit attended the June meeting to present their Annual Report.

We agreed to take item 8, Board Assurance Framework next, followed by item 7, The Joint Risk Register

7. The information contained in the report(s) below has been subjected to the requirements of the Freedom of Information Act 2000, Data Protection Act 2018 and the Office of the Police and Crime Commissioner for Gwent's public interest test and was deemed to be exempt from publication under section 7.

BOARD ASSURANCE FRAMEWORK

8. We received and noted the Board Assurance Framework.

We thanked the Head of Assurance and Compliance and the Chief Inspector of Governance and Performance for developing the document.

We were informed the CEx and the DCC were the Strategic Owners of the document. The Framework incorporated all the Statutory Responsibilities in order to fulfil the required elements of the Police Reform and Social Responsibility Act and enabled the identification of any gaps in compliance. Any full or partial gaps in compliance would be reviewed in the form of an action plan on a continuous basis through internal Governance processes and a detailed document would be brought to JAC for review. The evidence within the Framework would also be utilised by the CFO to assist with his preparation of the Annual Governance Statement.

We noted Mr R Leadbeter had forwarded his comments on the document to the OPCC for consideration.

We discussed whether the document should be considered a Responsibilities Map, which apportions the responsibilities across the Force and the OPCC as opposed to a Board Assurance Framework, which provides assurance that those responsibilities have been discharged. The HoAC informed us that she had conducted a significant amount of research and there were no Board Assurance Frameworks in

place in other OPCCs and the Frameworks used in other Public Sector organisations were not suitable. Therefore, a decision was taken to base the Framework on the Statutory Responsibilities. Following the development of the document, she became aware that South Yorkshire OPCC were in the process of developing their Framework and had taken a different approach, however, the compliance gaps identified were very similar.

Action

TIAA welcomed the document and advised us there was nothing similar in Wales.

We agreed that the Framework was a foundation document and a valuable tool in its own right and acknowledged that it would provide further assurance as the document evolved. We welcomed D Turner and A Blackmore's offer of assistance to further develop the Framework, as they had experience in this area of work.

We noted the following amendments to the document:

- Equality and Diversity and Inclusion should be consistent within the document, in some areas Inclusion had been omitted.
- The Committee's ICT lead was disappointed to see Information and Communications Technology was not included Under the Heading, 'Examples of persons under the direction and control of the CC'
- WAO required amendment to Audit Wales

HoAC

The Chair advised us that she would make reference to the Framework within the JAC Annual Report.

Chair

The PCC informed us that Home Office were conducting a review of PCCs and this Framework would provide assurance that statutory responsibilities were being complied with.

The CEx advised us that the OPCC had achieved the CoPaCC (Open and Transparent Quality Mark) for complying with the Specified Information Order for the fifth consecutive year. The Office had been commended for the level of transparency of the information published.

JOINT RISK REGISTER

9. We received and noted the Joint Risk Register.

We acknowledged that three new risks had been added to the Register in February: 24/7 Intelligence Grainger Report (medium risk); Covid19 Pandemic (high risk); and the Loss of Police National Computer (PNC) Data (high risk). We noted the risk ratings had been lowered for some of the remaining risks and the rationale for doing so.

We noted the format of the Risk Register had been improved and thanked those involved, as it was easier to follow.

Action

We noted the Strategic Risk Register contained issues that could potentially become a risk in the future and vice versa, so the term 'strategic risk' in this context was used to represent risks of greater significance and not in the strict, technical sense of this term. The DCC acknowledged that the Risk Register contained both issues and risks and explained that it provided a useful overview for the Force; however, discussions were taking place with the OPCC to determine the format for segregating the issues from the risks.

We noted the Evidential Storage Human Tissue Retention under the Protection of Freedom Act (POFA) Compliance and the Children in Custody risks had been on the Risk Register for a considerable period of time and the updates on the register did not provide sufficient narrative to assure JAC that progress was being made. The DCC informed us that she had attended a meeting with the Welsh Government to discuss the provision of secure accommodation for Children in Custody and an agreement had been made that a pilot scheme was to commence to help tackle the problem. The DCC advised us many of the long-standing items on the Risk Register were issues for Forces across the United Kingdom, however, it was acknowledged that the updates should have been more detailed to in order to provide assurance to the JAC.

The DPCC welcomed oversight in relation to the longstanding items such as Children in Custody and assured us that a significant amount of work was being undertaken to resolve the issue both in Force and nationally. The provision of Sexual Assault Referral Centres was another long-standing issue of concern and following communication with Health Boards, the issue had been placed on their Risk Registers as an associated risk, resulting in increased focus on the risk.

We asked if an action plan was to be developed, or if a final comment could be added to each of the risks to indicate if the risk can be managed; or if it was one that had to be tolerated by the Force, as it had been managed as far as possible. The DCC suggested adding an actions column with the requested information to the Risk Summary Sheet, in order to provide clarity and assurance to JAC.

**DCC/
HoCI**

The HOCl advised us that there was a Requested Action for Assurance table against each of the risks, which would be populated going forward.

We referred to the PNC data loss risk and acknowledged that it was a Force-wide issue, that had occurred following a request for technical changes to the PNC system by the Home Office. We asked for an update on when the data could be expected to be retrieved by the Home Office. The DCC assured us that robust processes had been put in place across the Force, to ensure details on individuals could still be obtained if required. The Home Office were undertaking a huge amount of work to

ensure the data could be retrieved, but no specific date had been provided.

Action

We referred to the Finance Restructure risk and queried if the agency staff members were contracted on a temporary basis or if the Employment agency was utilised to obtain permanent employees. The HoF confirmed that two of the Senior Accountants were employed on a temporary basis, as there were two individuals within the Finance Department that were due to become Qualified Accountants and they would therefore have the opportunity to apply for the roles, if they are successful in the exams.

VERBAL UPDATE ON CYBER RESILIENCE

10. We received the following update reports:

1) Verbal Update on Cyber Resilience from Audit Wales.

We were advised that AW had collated a report to summarise Cyber Resilience in the public sector in Wales. A confidential report had been circulated to all Welsh Public Bodies in January 2021.

AW undertook a high-level review of Cyber Resilience in relation to Cyber Security and the overall ability of systems and Organisations to withstand cyber events; as digital services were used to perform more and more of their daily functions. The aim of the study was to raise awareness of the critical importance of Cyber Resilience at a Senior Level and to provide best practice guidelines to enable improvement where required.

Following advice from the relevant cyber experts and the Law and Ethics Team, AW informed us that the Cyber Resilience report could be circulated to JAC members, but it should not be published.

ACOR

The ACOR advised us that the findings from the review formed part of the information security and cyber resilience monthly Risk Review, including the best practice guidelines. Action plans had been developed as a result and were being progressed; details of which could be shared confidentially with the JAC ICT lead, or in a closed session with JAC members.

ACOR

We noted that Cyber Resilience was a subset of overall Operational and Business Resilience. The ACOR confirmed this was addressed through the force Business Continuity Group.

2) Wales Collaboration Joint Audit & Scrutiny Report 2021

The report demonstrated the complexity brought about by collaborative projects and reinforced the need for clear and concise communication and control processes for collaborative arrangements, both in the short and long term. The ACOR informed us that the report comprised of AW findings from the Collaborative Review from the Four Welsh Forces and

OPPCs and the resulting actions. It had been through the appropriate Governance processes within each Force and through the Welsh Police Finance Resources Group (WPFRG) and was awaiting formal approval from the Chief Officer's and PCC's Policing in Wales (PIW) meeting.

Action

We queried whether the report had addressed the recommendations sufficiently and AW confirmed that overall it had, as the relevant scrutiny was in place. One of the recommendations included scope for more JAC involvement, which was why the update report had been presented at the meeting for review and to provide reassurance that sufficient progress had been made. The majority of the actions had also been completed by the end of January 2021, as opposed to the proposed date of March 2021.

The CFO emphasised the importance of capturing and monitoring the business benefits resulting from collaborative projects and advised us that this could be done by extending the remit of the WPFRG, to include the monitoring of business benefits and by utilising academic partners to assist with the realisation of them. Research was being undertaken to ascertain the benefits this could bring to policing in Wales.

We questioned whether Wales Collaboration Joint Audit & Scrutiny would form part of the agenda on the JAC Training Day on the 23rd March 2021. The CFO informed us that he would contact North Wales OPCC to confirm.

CFO

We asked if there was sufficient emphasis on what business benefits were expected from the outset and what the decision points were that generated the requirement for collaborative projects within the Collaboration Strategy.

The ACOR advised us that a business case was developed for every collaboration, which included a Project Initiation Document and an Operations Appraisal to confirm the benefits that would result from the collaboration.

There were various reasons why collaborative projects were undertaken, including a statutory requirement. A recent example of this being the Accreditation for Scientific Support Services; ensuring sufficient levels of staff were available with the appropriate skill set for continuation of service provision. Smaller specialist Departments were also considered for collaboration, in order to provide resilience and to share costs with other Forces. The Home Office also stipulated that certain non-operational Support Services should be delivered in collaboration with other Forces, to reduce duplication of service to improve efficiency. If a change has to be made within one Force's Department, collaboration was considered at that point to explore if other Forces could make the same changes at the same time, to ensure the systems were efficient and effective and learning could be shared.

Following a discussion on the Governance and assurance arrangements for significant partnerships or collaborations, it was agreed that JAC had received sufficient information on the subject matter in order to meet their Terms of Reference this year.

Action

We agreed to take item 12, Update on Business During Covid19 next

We reopened the meeting.

UPDATE ON BUSINESS DURING COVID19

11. We received and noted the Update on Business During Covid19.

The DCC informed us that the report noted local and national arrangements for the Force in relation to Covid19 and welcomed any questions.

We thanked the DCC for the comprehensive update report. We sought assurance that some of the practices and lessons learnt during Covid19 would be continued when Covid19 had diminished. The DCC advised us that the ICT infrastructure work had to be implemented at a quicker pace than expected, in order for the Force to continue their work during Covid19 and this had brought about efficiencies. However, a balance had to be struck with regards to the wellbeing and welfare of staff, as working from home could be isolating. The Force Lessons Learnt Group were focussing on short-term and long-term practices, to ascertain which of the practices could be maintained in the future.

We thanked the Force for their hard work during Covid19, particularly in light of the continuous changes in legislation.

We noted the Force had identified potential lost income of £78k and asked what the costs related to. We were informed that Central Government were reimbursing Forces with some of their lost income due to Covid19 restrictions, as part of a reimbursement scheme. However, Forces were to absorb 5% of the loss themselves. The lost income related to various income streams, such as the reduction in statutory vehicle recovery costs and less policing requirements at sporting events.

We asked who received the monies from the Fixed Penalty Notices in relation to Covid19 and it was confirmed that Central Government were the recipients.

We noted there were potential resource issues with regards to Quarantine Referrals and queried if this could escalate once international travel restrictions were lifted. The DCC confirmed this was a concern and discussions were taking place with the Welsh Government and plans were in the process of being developed, to ensure the Force could respond appropriately.

We asked if the Force had introduced Lateral Flow testing and were advised that South Wales Police (SWP) were piloting Lateral Flow Testing and if it was successful, the Force would implement it. The Force's internal Track and Trace system was minimising the amount of absence in the interim.

12. The information contained in the report(s) below has been subjected to the requirements of the Freedom of Information Act 2000, Data Protection Act 2018 and the Office of the Police and Crime Commissioner for Gwent's public interest test and was deemed to be exempt from publication under section 7.

REVISED ESTATE STRATEGY

13. We received and noted the Report and Presentation on the Revised Estate Strategy.

We were advised that the Committee Lead for Estate had recently received a presentation from the ACOR and CFO on the Estate Strategy.

We noted the revisions to the Estate Strategy since 2018 and the timelines for phases 1 and 2 of the Strategy. A timeline for Phase 3 would be completed in 2 years when the Strategy was reviewed. It was not beneficial to set timelines for the Phases 4 and 5 too early, due to uncertainties in funding.

We noted the Estate Risk Register had been updated, as many of the risks had been satisfactorily addressed. Work was progressing well on the Headquarters project; the car park had been completed and the commissioning of the building had been brought forward by 6 weeks to the middle of September 2021. A phased approach was to be taken when moving to the building. Agile working had formed part of the original design, which would continue to be embedded following Covid19.

Suitable accommodation was being sought for Officers in Abergavenny, as their temporary accommodation was not fit for purpose. The Officers were to relocate from Abergavenny Fire Station within the next three weeks, whilst a suitable long-term plan was being developed. The PCC had approved a business case for a long-term solution.

The Strategic Outline Case for the Torfean Hub had been completed and was supported by the PCC. The Hub will house the Custody Services, Operational Training Services as well as the Operational Neighbourhood Services. The Force were in the process of appointing the Project Management and Design Teams and it was likely that the construction would commence in 2 years.

The Committee Lead for the Estate thanked the ACOR and CFO for their comprehensive presentation and for responding to queries he had raised prior to their meeting. We were advised that he supported the overall

Strategy and his only concern related to the timelines for populating the Hub and Spoke model within the Strategy, as changes to senior personnel could mean the Strategy was not fulfilled and Officers would be working from both the old and new buildings. The ACOR informed us that the Strategy should be reviewed at least every two years to ensure the Police Operating Model could be accommodated by the Estate capacity.

We noted there had been a delay with the maintenance of Newport Central Station and queried what the protocol was for maintenance of the entire Estate. The ACOR informed us there was an annual review of all premises, which informed the general maintenance plan. The plan was presented to the Estate Strategy Board and the costs were budgeted for in the Annual Budget, including any unexpected costs due to events such as bad weather.

Consideration was given to maintenance costs for the Newport Custody Unit when planning the timeline for phase 2 of the Torfaen Hub, as the Custody Unit was outdated and required a significant amount of updating to meet the needs of the Staff and detainees.

We asked who would be responsible for funding the Torfaen Hub project and the ACOR confirmed the PCC would need to borrow the funding in 2022/23 to support the implementation of the Hub, as the committed funds and reserves had been utilised to fund the Headquarters project.

The CFO informed us that it was important that the committed funds and reserves were utilised for Capital Spend and to manage risk by offsetting the borrowing requirement, as opposed to investing through the Treasury Management route and receiving minimal return from investment. However, we acknowledged that this approach may not always be the most appropriate in the future, given that there was an expectation that interest rates for borrowing were going to increase.

As this type of work extended into the next few decades, we asked how the Force would deal with the potential change in demographics and what sort of work would be undertaken with the Local Authorities within Gwent.

We were informed that there had been significant growth in population in each of the boroughs, which may lead into additional provision in the future. However, at this time the demand for Front Desk services had decreased and the number of Station Enquiry Offices had been reduced from 16 to 6. We were assured there would be one Hub in each borough for members of the public to visit to provide statements etc. Home visits are also undertaken when this is deemed suitable.

The CFO informed us that this also linked to the Community Infrastructure Levy/ Section 106 application, through the Town and Country Planning Act. As developers build new housing in the community, there is an ability to obtain funding from these developers to pay for infrastructure, such as Policing. A new Funding and Partnership Manager was to be appointed

within the Force and opportunities such as this would be explored. An increase in housing in Gwent also equated to an increase in Council Tax collection, so the Force would receive additional funding.

Action

We thanked the ACOR for his presentation on the Estate Strategy and for providing assurance that the appropriate decision-making processes were being followed.

We reopened the meeting

EXTERNAL AUDIT

14. We received and noted the following reports from External Audit:

a) Update Report

JAC raised concerns about the Call of Audit Date, particularly as there was a delay in finalising the Statement of Accounts the previous year, despite the fact the Statement of Accounts and the Audit had been completed. It could be demoralising for the Finance Department, should a similar issue arise to last year as a result of the late changes to the pensions. A potential delay in the Call of Audit would mean the Auditor General wouldn't issue his Audit Opinion at the usual time, because he would have to wait for members of the public to inspect the Statement of Accounts. JAC suggested the accounts could be inspected online and that the original timetable be pursued with a view to completing the Statement of Accounts and the Audit in the faster closing regime.

AW informed us that following discussions with the Finance Team, the initial Call of Audit date had been set for the 5th of July 2021. However, AW Technical Team had subsequently advised AW to delay setting a date due to the uncertainty around Covid19 Restrictions, as members of the public may not be able to attend to inspect the Statement of Accounts in person. AW advised us that the statutory legislation section 29 and 30 of 'The Public Audit Wales Act 2004' and the Accounts and Audit Wales 2014, regulation 11 and 12 stipulated the requirements and their Law and Ethics Team had also pointed out the requirement for accessibility to all members of the public, as some people may not have online access. AW advised us that the Auditor General would not be in a position to sign off the Audit Opinion until the inspection had been conducted, as he needed to be sure there were no objections requiring investigation.

The Committee expressed concerns in relation to process, as it did not reflect favourably on the Audit methodology if members of the public were able to identify an objection of such calibre that it could delay the process. AW explained that an objection could relate to a potential fraud that they were not aware of, such as a third-party related issue and this would mean it would become materially sensitive. However, it was acknowledged that this was extremely unlikely.

Whilst it was appreciated this was viewed as a statutory matter, JAC challenged this unreasonable interpretation of requirements given the ongoing Covid19 situation and reiterated their suggestion that the Statement of Accounts could be inspected online, as opposed to a blanket approach of physical inspection. JAC requested that the CFO and PCC raised their concerns regarding the legislation. The CFO and PCC agreed to raise the issue with the Welsh Government.

Action

**CFO/
PCC**

We requested a presumed Call of Audit Date, preferably early July 2021 with a caveat that it could be changed, particularly as the risk relating to Covid19 Restrictions was likely to be very low at that time.

AW

We asked AW to ascertain what Audit arrangements Dyfed Powys had followed in the previous year, as they were able to close their Audit earlier than expected. AW agreed to obtain the details in order to update JAC.

AW

We requested an interim update in relation to the SRS review, as there had been a considerable delay between the second and third workshops taking place. AW agreed to obtain an update.

AW

We requested a briefing on the Analytics Assisted Audit (AAA) and AW agreed to make the arrangements for a colleague to attend the following meeting to present the briefing.

AW

We referred to page 18 and queried the prevalence of failed login attempts and asked if they were related to user error or something more sinister. AW agreed to obtain an update.

AW

We noted the Police Pensions McCloud ruling was a medium level risk on the Risk Register and questioned whether it should be a low risk; or even remain on the register at all, as it was a risk that affected all Government Pension Schemes. AW advised us that the consultation process in relation to the Police Pensions McCloud ruling had been completed and it was hoped that the actuaries had sufficient information and time to take account of the proposed Pension remedy in order that an issue won't occur late July 2021.

We noted the Annual Governance Statement (AGS) was to be circulated in April 2021 and asked if the format was expected to change. The CFO explained that the AGS had simply been delayed, as the required information to complete the document was not ordinarily received until after the end of the financial year and therefore in order to provide the JAC with more content, a decision was made to delay circulation until the information was received.

b) Annual Audit Letter

We noted the Annual Audit letter had been issued and circulated for review.

c) Annual Audit Plan

Action

We noted the Audit Fee had remained unchanged from the previous year. However, we requested clarification regarding the additional fees regarding the challenges experienced during the Financial Statements Audit for 2019/20 and whether this related to changes to the pensions.

AW confirmed the additional fees related to outstanding legacy balances and audit papers and did not relate to the Police Pensions McCloud ruling. We noted the additional fees for extra work had reduced significantly over the past few years, as the Accounts process had improved.

AW advised us that an updated Audit Plan would be provided for circulation to reflect any changes.

AW

INTERNAL AUDIT (TIAA)

15. We noted and received the following reports:

a) Audit Strategy and Annual Internal Audit Plan

We asked if the collaborative approach used economies of scale and how were the relative costs apportioned amongst the Welsh Forces. TIAA advised us the costs and apportionment of audit days was agreed before the reviews were undertaken. In the previous year, it was agreed that the costs would be spilt equally between each Force and each Force was audited for the same number of days. Details for this year would be confirmed once the plan had been finalised.

We noted Gwent were proactive in suggesting collaborative work and asked what the appetite was like within the other Welsh Forces. TIAA advised us that one other Force had provided a list of potential reviews and the Four Welsh Forces were meeting on the 3rd of March to discuss potential areas for collaboration.

It was suggested that Treasury Management could be considered for collaboration, as the interest returns from investment differed in Forces. The ACOR explained that it may be possible if the other Forces were on the same audit cycle in 2021/22.

ACOR

We referred to the All Wales Pension Board review and requested clarification on what it related to. It was confirmed that the All Wales Pension Board for Police had been established 5 years ago to meet a statutory requirement, in order to maintain the Forces corporate responsibilities for governing and managing the pensions resources appropriately. The CFO represented all four Welsh PCCs on the Board and agreed to circulate the All Wales Pension Board Annual Report for information.

CFO

As this was the first draft of the 2021/22 Audit Strategy and Annual Internal Audit Plan for JAC to review, TIAA advised us the report would be updated following confirmation of the required collaborative audits from the four Forces. Following this, the cost and number of audit days would be agreed and apportioned accordingly.

Action

We asked if the risks on the Risk Register had been reconciled with the Audit Plan and if so, could the differences be articulated to JAC. TIAA confirmed the report was usually reconciled to the Risk Register and agreed to cross reference the plan with the current Risk Register in the following report.

TIAA

b) Compliance Review of Local Policing - Property and Cash Part (1)

The ACOR shared a short presentation on Evidential Property Storage improvements and advised us that a copy would be circulated to all attendees following the meeting

ACOR

We noted significant progress had been made to address the Evidential Storage Risk. Both the Evidential Property Team and Property Project Team had been established, to ensure the clearance of the backlog and for transition to the new arrangements.

The reporting processes had been updated to enable Supervisors to monitor the performance of their officers and staff in the management of their evidential property.

As a result of the resourcing issues experienced by the Project Team and the Property Team, the proposed Interim Store Plan had been delayed. However, the work was able to recommence in January 2021.

We noted the TIAA audit conducted in the Monmouth interim store in December 2020 had resulted in reasonable assurance rating, compared to a limited assurance rating in December 2019. The 12 items that could not be located during that time had subsequently been investigated and all had been resolved, as the processing error had been rectified.

Due to the sensitive nature of the roles, we asked what work was being undertaken to ensure the newly appointed staff were trustworthy. The ACOR assured us that any new employee would need to meet the appropriate level of vetting criteria for the work they were to undertake.

It was suggested that a review on the Lessons Learnt during Covid19 should be considered as part of the auditing process at the end of 2021, in order to provide assurance that the new ways of working had been embedded within the Force. The ACOR advised us that the Force were reviewing the Lessons Learnt over the following 3 months, to ascertain which practices were to be adopted going forward and agreed a post implementation review should take place at the end of the year.

**ACOR/
TIAA**

BUDGET SETTING UPDATE

16. We received and noted the Budget Setting Update.

The Chair questioned the approach to the Police and Crime Panel (PCP) when proposing the precept level. It appeared that the proposed request was often more than was required and following comprehensive dialogue, a middle ground was usually agreed in order to maintain existing services. Taking into consideration the extensive Estate Strategy Programme and the requirement for borrowing, it was suggested that it should be made clear to members of the public from the outset that a higher level of precept would be required if services were to be maintained or services would have to be cut.

The CFO explained that he would circulate the Budget Setting report that he presented to the PCP to provide JAC with assurance that an honest and pragmatic approach was taken when proposing the precept, as the level proposed was never more than was required. Further narrative could be found in the report, including the PCPs recommendation to find additional efficiency savings in 2021/22 in order to decrease the level of precept and the rationale for the PCC refuting the request. It also references the public consultation that took place in order to gauge public opinion on the level of precept they would be willing to pay, in order to maintain services when costs were growing. As a statistically robust level of surveys were completed, it gave a good indication of what level the people in Gwent were willing to pay, as the majority of respondents opted for a higher level of precept than actually proposed to the PCP.

CFO

REVIEW OF MANUAL OF CORPORATE GOVERNANCE (INCLUDING TERMS OF REFERENCE)

17. We received and noted the Manual of Corporate Governance (including the Terms of Reference).

The CEx informed us there had been minor amendments and no legislative changes to the Manual of Corporate Governance (MoCG). However, there would be additional best practice to add to the MoCG when the Joint Legal Services (JLS) had provided the details. There had been a slight delay as the JLS had to prioritise their work due to changes to Covid19 legislation and they were not in a position to update the MoCG for best practice. It would be completed by June and presented at the following meeting for final review.

JAC requested that any changes to the MoCG be highlighted with tracked changes. The CEx agreed to highlight the changes and email the link to the MoCG.

CEx/
HoAC

We referred to section 141 and queried why the European Union (EU) threshold had not been removed from the document as we were no longer part of the EU. The CFO confirmed it had not yet been removed as we were still going through the transition process. The rationale for the increase in threshold from £250k to £500k was to ensure efficiency of service in relation to the collaboration of procurement between the three Welsh Forces.

Action

JAC SELF ASSESSMENT ACTION PLAN

18. We received and noted the JAC Self Assessment Action Plan.

We agreed the items on the Self Assessment Action Plan could be closed as the actions had concluded.

A new Self Assessment was due to be completed to improve JAC performance further. The HoAC advised us the Self- Assessment forms would be circulated this week for completion.

HoAC

We noted the topics for the Deep Dives were discussed at the JAC meeting in December 2020 and the draft JAC Annual Report had been updated accordingly with the agreed topics.

VERBAL UPDATE ON GWENT PROGRESS – 2 YEAR PROGRAMME TO ACHIEVE FINANCIAL EXCELLENCE IN POLICING

- 19 The CFO informed us that an update report on Gwent Progress – 2 Year Programme To Achieve Financial Excellence In Policing would be circulated to JAC for review following the meeting.

CFO

20. **ANY OTHER BUSINESS**

There were no other matters for discussion.

TO IDENTIFY ANY RISKS ARISING FROM THIS MEETING

We noted the following risks during the meeting:

21.

- McCloud Pensions Ruling – potential increase in employer contributions.
- The requirement for efficiency and cost saving this year – potential risk to service delivery and impact on operational controls.
- PCC and Senedd Elections in May 2021 - could cause disruption.

The meeting concluded at 13.30