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Date issued: 25 November 2020

Gwent Police & Crime Commissioner and Chief Constable for Gwent Police

Joint Audit Committee 10 December 2020 – Update Paper

2019-20 financial statements

- **Post Project Learning**

On 30 November 2020, we will be attending a joint post project learning session with the Finance Team, reviewing the processes involved in preparing the 2019-20 financial statements and our audit of them. We will report the key learning points within our Management Letter as well as following up previous year's recommendations. We will also work with the Finance Team to produce an agreed action plan to help facilitate a more efficient and effective financial statements closedown and audit process for the 2020-21 financial year.

An All Wales Police and Audit Wales post project learning session will be co-ordinated by South Wales Police in the new year, at which lessons learnt from across all four Police Forces will be shared. At this meeting, we also discuss matters relevant to the planning of the 2020-21 financial statements audit.

- **Annual Audit Letter 2019-20**

Following the completion of our audit of the 2019-20 financial statements and once we have received the requested information to support our value for money conclusion work, our plan is to draft and agree our Annual Audit Letter before Christmas. We will share the agreed Annual Audit Letter with Joint Audit Committee members in the new year, before presenting the Annual Audit Letter at the next Joint Audit Committee meeting.

2020-21 financial statements

- **Audit Plan 2021**

Over the next two months we will undertake our audit planning work, with the aim of presenting our agreed Audit Plan 2021 to the Spring 2020 Joint Audit Committee meeting. As part of this process we will consider the work undertaken by Internal Audit to see if there are areas of their work which we can place reliance on.

- **Interim Audit Work**

We plan to undertake detailed interim audit testing in January and March 2021. We will also continue to work with Finance over the coming months to help ensure a smooth year-end closedown and final accounts audit so that we have agreed final versions of the financial statements for approval by the Joint Audit Committee by the end of July 2021.

Other matters for consideration

Value for money conclusion work

In addition to our standard audit programme for our value for money work, we undertook a more focused piece of work, reviewing the arrangements in place for securing economy, efficiency and effectiveness when undertaking collaborative working between police forces in Wales.

We will present our Audit Findings briefing paper to the December Joint Audit Committee meeting

Audit Wales review of Shared Resource Service (SRS)

This review seeks to consider whether the SRS collaboration is sustainably delivering an effective, efficient and economic provision within this dynamic environment, for now and for the future, for its partners both individually and collectively.

We have ran two out of three feedback and are looking to re-arrange the third. It is anticipated that the short joint report, summarising our findings will be available in the new year.

Audit Wales review of collaboration of emergency services in Wales

This is the first time in Wales that all emergency services have collectively been the subject of a review. This review is an opportunity to provide independent assurance that emergency services are working effectively together and are jointly making the best use of their resources to keep people, homes and businesses safe and secure.

The first stage of this review is currently underway and involves a desktop-based review looking at what the emergency services and first responders provide, reviewing their resources, budgets, locations of fleet and assets, and identifying from where and how services currently work together.

The second stage of this review is planned for Spring 2020 and will look at options to improve resilience through better collaboration, integration and use of resources. Stage 2 will be forward looking and identify trends and proposals for collaboration which will support decisionmakers to pursue improvement opportunities.

The findings from this review will be set out in a report that will also include recommendations and comparison and commentary on emergency services in Wales. We plan to issue our report in November 2021.

Audit Wales study on cyber resilience

Around 70 public bodies are taking part in the study, which aims to provide an overview of high-level arrangements for cyber resilience in Wales. The work will focus mainly at Board and senior management level and sets out to answer 'Do public sector bodies have effective cyber resilience arrangements in place, with appropriate oversight at Board and senior management level?'.

Our work is currently underway, and our plan is to publish our findings in early 2021. We look to present the report to Joint Audit Committee members in Spring 2021.

We will also consider hosting a webinar event to promote discussion of the findings of our work, and to enable shared learning of public bodies across Wales. We will publicise the webinar nearer the time.

Consultation of Fee Scales 2021-22

Our Fee Scales consultation was published on our website on 24 November 2020.

[Consultations | Audit Wales](#)

The consultation invites views and comments on Audit Wales's proposals for fee rates for 2021-22, which are unchanged from the current year, and other aspects of the statutory fee regime for audit work.

We would very much welcome your response to this consultation by 8 January 2021.

Following the consultation, we will submit a Fee Scheme 2021-22 for consideration by the Senedd Finance Committee early in 2021.

Audit Wales publications

Our publications can be accessed via <https://www.audit.wales/publications> including:

- **Preparations for the end of Brexit transition November 2020**

Following our report 'Preparations in Wales for a 'no-deal' Brexit' in February 2019 and a follow-up letter setting the key challenges for public services in September 2019, this letter outlines the latest position.

- **The National Fraud Initiative in Wales 2018-20 October 2020**

National Fraud Initiative (NFI) outcomes in Wales have increased by £2.7 million to £8 million in the 2018-20 exercise

- **Financial Sustainability of Local Government as a result of the COVID-19 Pandemic October 2020**

Against a backdrop of existing funding pressures, the financial costs of the COVID-19 pandemic are unprecedented in modern times. The biggest areas of increased cost pressures across Local Government so far are in social services and education.

Councils receive income from a range of services including leisure facilities, car parking, school meals and school transport, but the largest estimated income losses are in leisure and cultural services.

It is clear that the financial impact of the pandemic is likely to continue throughout 2020-21 and into future years.

- **Better law making – the implementation challenge September 2020**

This report draws on five reports published between 2019 and today looking at how local authorities are responding to the challenge of implementing new legislation. Each of these reviews identified some difficulties faced by local authorities and their public sector partners in implementing their new responsibilities.

The paper also highlights some important common issues emerging from these reports and asserts that good practice would be to undertake some post legislative examination of how well new legislation is being implemented or, indeed, whether it is being implemented at all.

National Fraud Initiative

<https://www.audit.wales/our-work/national-fraud-initiative>

The National Fraud Initiative (NFI) is a biennial data-matching exercise that helps detect and prevent fraud and overpayments from the public purse across the UK.

The NFI matches data across organisations and systems to help public bodies identify fraud and overpayments. Since its commencement in 1996, NFI exercises have resulted in the detection and prevention of more than £35.4 million of fraud and overpayments in Wales and £1.69 billion across the UK.

NFI 2020-21

Participants can access further information on the NFI web app including:

- a list of the responsibilities of the nominated officers at the participating body;
- details of any further requirements and returns concerning the data to be provided;

- a data protection compliance return; and
- information on how to interpret matches, and on co-operation between participating bodies.

If you are interested and want to find out more please email national.fraud@audit.wales.

Tracy Veale - Audit Manager

27 November 2020

