

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

JOINT AUDIT COMMITTEE

11th June 2020

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

Together with: 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 P Kelly – Chief Constable (CC)
Mr N Stephens – Assistant Chief Officer, Resources (ACOR)
Mr N Mclain – Head of Strategy Performance and Change (HoSPC)
Mr M Coe – Head of Finance (HoF)
Mrs T Veale – Audit Wales (AW)
Ms A Harkin – Audit Wales (AW)
Ms H Williams – Audit Wales (AW)
Mrs H Cargill – (TIAA)

The meeting was held online via Teams due to the Coronavirus Pandemic and commenced at 10:00am. Mrs H Cargill, Ms A Harkin and Ms H Williams 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 Mr J Cuthbert, the Police and Crime Commissioner and Mr R Leadbeter.

DECLARATIONS OF INTEREST

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

HOUSEKEEPING

3. We discussed and agreed the housekeeping rules for the online meeting.

A number of questions were submitted to the report authors and responses were fed back to JAC members prior to the meeting in order to aid the running of the meeting.

We agreed to take **item 9, Internal Audit – (TIAA)** on the agenda first.

INTERNAL AUDIT – (TIAA)

4. We received the following reports from internal audit:

a) Annual Report 2019/20

We noted that TIAA had completed their planned work to 31st March 2020 in line with the audit plan. Therefore, the COVID19 lockdown did not affect the programme nor the audit opinion. We were pleased that a positive audit opinion had been awarded as to the adequacy and effectiveness of the Police and Crime Commissioner and the Chief Constable's risk management, control and governance processes.

The work undertaken was based on the planned audits for the year which did not include consideration for the impact of COVID19 in the new financial year.

It had been a positive year, as the levels of assurance had improved in comparison to the previous year. There were 7 substantial assurance reviews, 10 reasonable and 2 limited. There were deferred audits relating to Corporate Communications and Performance Management. These had been deferred at management's request and had been carried forward to the following year.

We referred to the audit opinion and requested clarity on the inclusion of 'financial viability' and what the implications were for the Office of the Police and Crime Commissioner (OPCC) and the Force. We were advised that it was confirmation that the impact of COVID19 in terms of financial resilience and financial viability had not been included as part of the audit work. However, there would be a wider remit the following year, including the areas that had been impacted.

AW informed us that they didn't consider financial viability to be an issue for the public sector, as public bodies would always remain a 'going concern', unless primary legislation was changed. However, AW had undertaken work in relation to financial resilience across Local Government over the course of the year and following a central post-project learning session, consideration would be given to rolling out the work to other sections of the public sector; JAC would be provided with updates at future meetings.

AW

The CFO advised us that financial viability was recognised as a national issue as OPCCs and Police Forces in England were audited by private sector audit firms, who were more inclined to gain reassurance on the going concern principle (as they would when auditing the private sector), even though those policing bodies were established by primary legislation. . As previously reported, a new Financial Management Code

would be produced within the next twelve months, providing the checks and balances for OPCCs and Police Forces to demonstrate Financial Viability.

We queried if the audits were conducted on a risk-based approach and TIAA advised us that some areas were reviewed on an annual basis so improvement was expected as the recommended actions had been acted on, whilst other areas were based upon a risk assessment. Some risk-based areas which had not been reviewed previously provided positive assurance, whilst some areas previously audited, such as Local Policing Property, had remained at a limited assurance rating. This was also an issue for other Welsh Forces.

We were pleased that the overall opinion reflected the positive outcomes of the audits and the Force were acting on the recommendations for improvement.

b) Audit Strategy and Annual Internal Audit Plan.

We asked for an update on Value for Money (VfM), benchmarking and TIAA's response to COVID19.

We were informed that the audit plan provided was based on the previous year's strategy and rolled forward to this year. In addition to this, TIAA had met with the four Welsh Forces to review the collaborative plans. There were five joint reviews undertaken in the previous year. However, as Gwent and South Wales Police worked closely, further opportunities for collaborative reviews relating to the two Forces had also been identified.

There were no other significant changes to the plan other than the addition of the generic risk map which categorised risks facing the organisation into a high/low and internal/external matrix. We were advised that VfM appeared in the internal low risk area of the map as it was seen as the responsibility of management. The external equivalent risk however, could be a reputational risk, if the organisation was not seen to deliver VfM.

We were informed that each of the collaborative reports for the four Forces contained elements of benchmarking. Further discussions could therefore be had with the four Forces in order to further demonstrate benchmarking should it be required.

We queried if the benchmarking process was only based on the four Welsh Forces, or if it included other Forces within the United Kingdom (UK). We were informed the benchmarking was based on the four Welsh Forces, although information was also shared across other Emergency Services in the UK through a monthly Emergency Services Group meeting. Client briefing notes highlighting issues of concern and best practice identified during the meeting were circulated by TIAA to their

clients. TIAA's reports were also being redesigned to include areas of best practice. A recent thematic review of risk had identified a top ten risk list for all clients, although it was not police specific, as only a small number of their clients were in the policing sector.

Action

We were informed that the current audit plan had been drafted in January 2020 so there was no reflection of COVID19 contained within it. TIAA were building the impact of COVID19 into the scope of their planned audits, to ascertain if there was sufficient resilience in place. However, it was acknowledged that risk areas that have not yet been identified may need to be included in the plan going forward.

The CC asked that opportunities for change resulting from the new way of working post COVID19 be considered as part of the auditing process, as there were potential efficiency savings to be made by staff working remotely, such as reductions in fuel and estate costs.

A discussion ensued regarding the risks posed by COVID19 and JAC agreed to recommend approval of the audit plan with the caveat that the plan was reflected upon throughout the year. Furthermore, an additional audit would be included in the plan to review the way that management have responded to the pandemic, considering what has changed and the risks that have arisen. Timescales would be agreed for the audit with an update provided to the JAC at the following meeting.

GO

**ACOR/
CFO**

**TIAA/
ACOR/
CFO**

We agreed to take the following items next: 11, External Audit; 12, The Draft Statement of Accounts Including the Lessons Learnt Action Plan, the Year End Financial Performance Report and the Medium-Term Financial Plan; and 13, the Draft Joint Annual Governance Statement 2019/20.

EXTERNAL AUDIT

5. We received and noted the following reports from external audit:

a) Update Report

Interim audit work had been undertaken for the 2019/20 Financial Statements and there were no issues of concern.

A review of the VfM collaborative arrangements between Forces in Wales had been conducted and the findings were presented to the Welsh Police Finance and Resources Group (WPFRG) meeting on 4th February 2020. Work had already commenced in response to the audit findings and an action plan was being collated. The ACOR confirmed the Collaboration Management Board had sight of the report and the findings were well received and accepted by Chief Officers across the four Welsh Forces. We noted that an action plan had been drafted to progress the findings and was to be shared with Chief Officers.

A review of Shared Resources Services (SRS) collaboration commenced in February, but was delayed due to COVID19. Continuation of the review was rescheduled for later on in the year.

Action

b) Audit Plan 2020

We received an update on the audit plan and financial risks including the impact on the audit timetable resulting from COVID19.

AW employees were working from home, so there was likely to be a delay in the audit process and the production of the accounts so the audit timetable may need to be extended.

The Welsh Government had indicated that the Accounts and Audit (Wales) Regulations 2014 already allowed sufficient flexibility in order to deal with delays in accounts preparation and publication.

There were no risks to the pension valuations for the Force as a result of COVID19 due to movements in investment markets.

AW thanked the finance team for ensuring the draft set of accounts were produced on time, particularly during this difficult period. There was a risk that the audit of the accounts would not be completed by the end of July, but we were informed that they would be signed by 15th September 2020 at the latest.

c) Auditor General's Update Letter

We were advised that the Welsh Audit Office had changed its name to Audit Wales (AW).

We noted the Annual plan for 2020/21 had been published although much of the performance audit work mentioned would need to be re-shaped or deferred.

We were informed the capability and capacity of AW was to be used to undertake real-time audits, the outcomes of which would be shared across the public sector; this proposal had received support of the Welsh Government.

Ms A Harkin left the meeting at 11:08am.

UPDATE ON THE DRAFT STATEMENT OF ACCOUNTS INCLUDING, THE LESSONS LEARNT ACTION PLAN, THE YEAR END FINANCIAL PERFORMANCE REPORT AND THE MEDIUM-TERM FINANCIAL PLAN

6. We received an update on the draft set of accounts 2019/20 including the Lessons Learnt Action Plan, the Year End Financial Performance report and the Medium-Term Financial Plan (MTFP).

a) Update on the draft accounts 2019/20 including the Lessons Learnt Action Plan

Action

Existing legislation in Wales allowed public authorities to delay publishing the draft and final Statement of Accounts; this had been widely adopted across public sector organisations on account of COVID19, including Gwent Police this year.

AW were due to commence their audit on the 8th June with the aim of producing the final audited Statement of Accounts for signing on 29th July, before the 'normal' statutory deadline of 31st July.

The unaudited draft statement of accounts were circulated on 10th June 2020 to JAC members for consideration and comment and the CFO welcomed any comments over the following week.

We thanked the Finance Team and AW for their hard work, particularly with the added pressure of working remotely.

We received a presentation from the HoF. We were advised that the accounts closure process had significantly improved in comparison to the previous year, which was mainly due to having a core team of six people to focus on translating the accounts into the relevant accounting format. All of the key actions within the Lessons Learnt Action Plan were completed apart from the revised audit timetable, which was partially completed due to delays caused by COVID19. The collaborative figures from other Forces were also delayed by two weeks due to COVID19, which meant the publishing of the accounts on the 31st May 2020 could not take place as planned.

There were three major events that impacted the Force throughout the year which had been reflected in the accounts. The Private Finance Initiative (PFI) contract for Ystrad Mynach Police station was terminated on 31st January 2020 at a cost of £7.2 million, which meant the long term future lease liability had been fully discharged.

The McCloud court ruling confirmed that the accounting arrangements put in place for the 2018/19 financial year were not going to be resolved for at least another two years. A national approach on how best to undertake the pension review process was to be agreed and following that, rolled out locally. It was expected that the matter would reach its conclusion by 2022/23.

There were £90,000 of COVID19 related costs incurred in March 2020 which had increased significantly to £300,000 by April 2020. The May and June 2020 figures were being collated for the requested Home Office (HO) returns. The majority of the costs would fall within the 2020/21 financial year.

There was a small surplus of £98,000 against the original 2019/20 net budget requirement which would be transferred to useable reserves.

Action

There had been significant movement on usable reserves, with the overall balance reducing from £50 million to £40 million mainly due to the payment of the PFI contract termination and the costs for the new Headquarters build.

There were two elements of outstanding information in order to complete the financial statements; the final review of the working papers in preparation for audit and three related party returns. It had been difficult to obtain the related party returns and therefore a new approach was being discussed with AW in order to satisfy their requirements.

We discussed the forthcoming JAC meeting on 29th July and agreed for an additional backstop date to be put in place should the meeting not take place in July.

JR/NW

b) Financial Performance Report

We received an update on the quarter 4 financial performance report from the ACOR.

We were advised that the overtime budget had generated a surplus in 2019/20 and therefore a decision was made to decrease the overtime budget by £1 million this financial year, in order to fund other overarching costs. The rationale being that as the number of police officers had increased in recent years (and would into the future through Operation Uplift), the overtime requirement should decrease. We were assured the Chief Officer team would be monitoring the overtime costs throughout the year to ensure it remained within budget.

We acknowledged the comprehensive report and noted that the Debtors and Creditors position was more controlled. The ACOR advised us that the Capital Strategy Group were meeting quarterly to ensure activities undertaken were identified, coded and budgeted appropriately, so there was a much more structured budget this year with a detailed Capital Programme incorporating the on-going projects.

We asked for an update on movement in costs and the on-going costs resulting from COVID19. We were informed that a budget had been established and COVID19 related costs were allocated accordingly in order to capture expenditure. As of the end of July 2020, COVID19 expenditure was expected to be approximately £750,000. The majority of spend related to PPE, which would be a recurrent-based cost, as PPE was instrumental in ensuring a safe return of staff to the workplace where appropriate.

We queried what the expectations were of recovering the COVID19 costs. We were advised that it was unclear how the costs would be recovered at

the moment. The CC had asked the CFO and ACOR to plan for worse case scenarios over the next two years, should the funding not be forthcoming. The CC was also looking at other ways of recovering costs, such as a reduction in PPE costs, as it was initially sourced quickly and locally at a higher cost to ensure there was enough PPE available to protect the staff and officers. There were sufficient stocks to last until Autumn, when it was expected that PPE could be sourced at a lower cost through Policing UK in accordance with the national agreement going forward. The CC advised us that the Force had received recognition from the Gwent Law Society for their swift response to COVID19, with the implementation of safety measures within the custody units.

Action

We agreed to take item 13, Draft Joint Annual Governance Statement next and refer back to item 12c, Medium Term Financial Plan following that, as some attendees had to leave the meeting early.

DRAFT JOINT ANNUAL GOVERNANCE STATEMENT 2019/20

7. We received and noted the Draft Joint Annual Governance Statement (AGS) 2019/20.

The CFO informed us that the AGS was a positive document overall and included two positive audit statements from Internal auditors TIAA and Torfaen County Borough Council (TCBC). This was particularly significant in terms of TCBC, as historically there had been difficulty with the SRS complying with the requirements of the TCBC audit regime in ensuring audit recommendations were acted on in timely manner. We acknowledged that JAC had been instrumental in driving the improvements in this area.

We thanked the CFO for providing the document in advance of the meeting and noted the following questions and responses:

The bullet points below the TCBC audit opinion appeared to be out of place and the CFO agreed to review.

CFO

We queried what criteria would be required in order to raise a reasonable rating to a substantial rating? The CFO informed us it was quite challenging to reach a substantial rating, as a substantial level had to be achieved in almost every area in order to achieve that level overall.

Reference was made regarding the risk and performance in terms of SRS internet availability and a comprehensive response was provided detailing the Platinum, Gold, Silver and Bronze system approach.

AW informed us that they would review the AGS against the requirements and would provide feedback to the CFO as appropriate.

AW

H Cargill, H Williams and T Veale left the meeting at 11:48am.

We took 12c, Medium Term Financial Plan next.

MEDIUM TERM FINANCIAL PLAN

8. We received an oral update on the MTFP.

We were advised that a national 'prioritisation' exercise had been initiated by Her Majesty's Treasury (HMT) to identify priority areas of spend and risk for Government Departments to determine the impact of COVID 19. Due to the ongoing impact of COVID19, it was expected that the prioritisation exercise would continue until the following spring. There had been no formal announcement on the Comprehensive Spending Review (CSR) 2020 as yet; although it was expected that a one-year roll-over would be set due to COVID19 implications.

HMT had ring fenced £5 billion for costs incurred as a result of COVID19, £1.6 billion of which had been earmarked for Local Authorities but Police funding relating to COVID19 incurred costs was unclear. However, the findings of the prioritisation exercise from the HO were to be put to the Treasury for consideration.

We were advised that HO income streams had been impacted by COVID19 and as a result there was an element of financial risk to the Police and Crime Commissioner and Force, as half of their funding was provided by the HO. However, the ambition to recruit 20,000 additional officers nationally remained a key priority for the HO. This also presented a potential risk to the Force, as Government funding had been provided during 2020/21 for the first 62 officers (to be recruited by March 2021) as well as the up-front consequential/infrastructure costs for the total 165 officers who would be recruited up to March 2023. It was unclear therefore as to the longevity of the funding going forward into 2021/22 and beyond.

The CFO advised us that two key sources of income were at risk for the Commissioner: Government grant and precept funding. The allocation of Government funding was unclear and the level of precept received could also be impacted, as there could be a drop in the level of precept collected, which up until now had seen a collection rate of around 95% across Gwent Local Authorities. The CFO had initiated a data exercise with his policing counterparts to capture the assumptions within their MTFPs.

We queried if a reduction in the level of precept collected by Local Authorities would affect the level of funding provided to the Force. The CFO advised us there was Regulation in Wales where the Local Authority maintained the risk of a lesser collection rate than originally budgeted. The OPCC were guaranteed the agreed budgeted rate of the total

collected, irrespective of what was collected. The Local Authority would also keep any surplus collected above the agreed rate. However, when setting the 2020/21 budgeted rate, due to the impact of COVID19, the budgetary rate could potentially drop by 10%, which would have a significant impact on the budget.

Action

When the budget was set for 2019/20, the overarching deficit within the MTFP for 2024/2025 was £5.6 million. However, over the last few months, there had been some movement on the assumptions made in the plan. There were additional unexpected recurrent costs of over £250,000; however, there were also unexpected savings and £200,000 of unexpected non-current funding received for the Regional Organised Crime Unit. Some of the assumptions were initially highlighted as risks during the setting of the budget however, unexpected funding had negated some of the risk. As the unexpected costs were recurrent in nature and the funding received was non-recurrent, there was a shortfall of approximately £250,000 in addition to the costs incurred due to COVID19. It had been estimated that PPE costs could reach approximately £2 million but this could decrease or increase as it was dependent on the consumption and the circumstances in which we find ourselves at the time.

In order to balance the budget for this financial year, £763,000 of Reserves' funding would have to be utilised. The cost implications of COVID19 remained a risk, as the Force had already incurred costs of £300,000 and projected a further £300,000 to the end of July. There was an expectation that there would be a continuation of these costs, to ensure officers and staff were fully protected with the required PPE in the future.

With a balanced budgetary position at the start of this financial year, consideration was being given on how best to absorb the COVID19 costs incurred, until a decision had been made by HMT on funding the costs.

MINUTES

9. The minutes of the meeting held on 4th March 2020 were received and confirmed.

The minutes were circulated prior to the meeting for comment and the following responses were received:

JAC members queried if the Webinar on the 22nd June was replacing the JAC training day 30th April and received confirmation that it was.

Page 7, An update was requested as to whether the Disaster Recovery programme was progressing as planned. It was confirmed the programme was progressing in line with its requirements and the implementation of Office 365.

Page 8, There was a request for an update on the review of the Emergency Services. We noted this was incorporated within the AW update.

Action

Page 11, There was a request for an update on the Cyber Follow Up Audit and it was confirmed that SRS would issue an additional paper on audit recommendations progress following JAC.

ACOR

Page 12, There was a request for an update on the Bridewell Contract as it was due to end in June 2020. It was confirmed that the contract had been extended to June 2021 following agreement by the four SRS partner organisations' Senior Information Risk Owners (SIRO) in April 2020. In the meantime, the SIROs were meeting to agree improvements in the Information Security arrangements.

Page 14, There was a request for an update on the outcome of the business case regarding the Finance Team Structure, which was submitted to the Service Improvement Board (SIB) in April 2020. It was confirmed that the options appraisal was considered and the preferred option supported. The business case was being finalised in July 2020 for SIB approval in July and implementation would follow in the Autumn.

Page 16, There was a request for update on any changes to the budget as a result of COVID19. We noted the update was incorporated within MTFP agenda item at 12c.

ACTIONS

10. We received and noted the actions from the meeting held on 4th March 2020.

The Actions were circulated for comment prior to the meeting and the following response was discussed:

Action 2, Action 5 External Audit

An update was requested on the arrangements for feedback to JAC and inclusion on future agendas in relation to the collaborative arrangements and VfM Action Plan. It was confirmed that the draft report had been through various Governance Boards and it had been received and accepted and once the report and action plan was finalised it would be presented to JAC in Autumn 2020.

UPDATE ON BUSINESS DURING COVID19

11. We received and noted the update report on business during COVID19.

The CC advised us that the Force had faced some difficult times this year with the floods; the COVID19 crisis; and the recent protests in relation to Black Lives Matter. The CC was very pleased with the Force's response

to these situations, as there had been good partnership working with Local Authorities and other emergency services during this time.

Action

The CC highlighted key areas within the report.

The significant investment in ICT had enabled officers and staff members to work remotely during COVID19, with minimal impact on service delivery.

Staff were still receiving supervision albeit virtually; vehicles were being deployed to 101 calls from employees working from home; and Occupational Health were providing valuable online support to employees.

Staff who were not able to undertake their normal duties assisted in other areas. For example, school liaison officers were providing support in the Force Control Room (FCR) whilst others were working from home clearing various backlogs of work; cleansing data systems to improve data quality; and reviewing custody records.

The FCR had been split over three sites to comply with social distancing guidelines and this had enabled the Force to deal with an increase in call demand; the highest in the last three years. As there had been a decrease of 15% in crime, this had allowed the Force to be more proactive and visible within the community, which had resulted in the issuing of 118 Fixed Penalty Notices to date in relation to COVID19. Furthermore, over 300 vehicles had been taken off the road for criminal offences and arrest rates had increased with both custody units being fuller than normal.

The level of recorded officer sickness was very low at 3% and it was acknowledged that the wellbeing initiatives and supervisory procedures had been a contributory factor.

There was initially a reduction in the number of reported domestic abuse incidents during the early stages of COVID 19, which had since stabilised to normal levels.

The Force were continually monitoring the levels of Hate Crime, particularly, in light of the recent Black Lives Matter Campaign.

We offered our thanks and gratitude for the way in which the Force had responded to the crisis and asked what plans were in place to ensure the lessons learnt from this experience were utilised in relation to future opportunities and risks.

The CC informed us that a learning the lessons log had been kept throughout the pandemic and shared with other Forces to identify areas for learning. This information was also going to be shared with local Universities for dissemination to both to National and Local Governments and it would be shared with JAC in due course.

CC

We noted there had been an increase in arrests but there were restrictions on the number of people being charged and asked the CC for clarity on the matter. The CC explained that the Criminal Justice System was an area of concern for CCs and PCCs as it was a risk for all Forces. The police service had been lobbying the Ministry of Justice to resolve the issue, as there was a backlog of cases; there had only been four Crown Court cases since lockdown.

Action

The DPCC thanked the CC and her staff for their leadership throughout the pandemic.

HEADQUARTERS UPDATE REPORT

12. Due to time constraints we agreed that a separate online presentation on the new Headquarters build would be arranged for the JAC members, led by the ACOR and CFO in the near future.

**CFO/
ACOR**

INTERNAL AUDIT (TORFAEN COUNTY BOROUGH COUNCIL)

13. We received and noted the following reports from TCBC, in relation to the SRS:

a) IT Scrutiny Arrangements

We were advised that there was a Memorandum of Understanding in place regarding the arrangements with the partner organisations and the SRS, which incorporated the agreement that IT Internal audit would be delivered with a single audit programme for the partner agencies as agreed at the JAC on 21st December 2016. This allowed auditors to focus on the risk areas and for SRS management to report to the Finance and Governance Board (FGB) as a single reporting point.

In 2017/18 the SRS addressed their approach to audit and changes were made to ensure TCBC were focussing on the relevant areas across Gwent as opposed to a generic agenda.

In 2018/19 it was agreed by the partner agency's S151 Officers that an element of time would be put aside for the SRS Team to address the audit recommendations. SRS management subsequently attended the JAC meeting on 4th March 2020 to provide assurance that the audit process had improved and to explain why some of the outstanding audit recommendations were incomplete.

We acknowledged JAC had been instrumental in driving the improvement, by ensuring continual scrutiny and challenge of the audit process. The FGB were satisfied that SRS Management and TCBC had implemented a positive change in the way in which the partner organisations were audited. It was agreed at the recent FGB that internal auditors would report to the Section 151 Officers and the individual S151 officers would present the audit reports to their Audit Committees.

The ACOR assured us that should JAC have any concerns in relation to internal audit findings, this would be followed up with SRS Management and sought agreement in relation to these arrangements.

Action

JAC agreed the arrangements with the premise that momentum would not be lost in terms of timeliness of acting on audit recommendations, particularly when working collaboratively. The ACOR thanked Dr Wademan for attending an IT collaborative meeting during the year in her capacity as JAC IT lead and in order to provide further assurance, it was suggested Dr Wademan attended a future collaborative meeting to discuss SRS activity.

ACOR

JAC acknowledged that TCBC and SRS management were not able to attend every JAC meeting for every partner organisation due to time constraints and suggested that they presented their annual report once a year to JAC. The ACOR agreed to consider the request for the following year.

ACOR

The following comments were received and responded to prior to the meeting in relation to items 10b and 10c:

10b) Annual Report on SRS Audits 2019/20

We queried why the IT disposals audit rating was lowered from Moderate to Limited assurance. We were informed that this was because TCBC would like to see sustained improvement across financial years to provide reliance on continued progress.

10c) Annual Audit Plan 2020/21

We queried what the implications were of COVID19 on the TCBC audit plan. We were informed that a revised audit plan was issued on 8th June 2020 and under consideration by S151 Officers and would be issued to JAC members shortly.

ACOR

It was suggested that detailed mapping was required within the 2020/21 audit plan identifying the visibility of risk. The ACOR advised us the plan was a three-year cyclical rolling plan irrespective of risk. However, we were assured that any known or emerging risk areas would be included within the plan. The HoAC agreed to include a statement within the JAC Annual Report indicating that known or emerging risk areas would be included within the plan.

HoAC

DRAFT JAC ANNUAL REPORT

14. We received and discussed the draft JAC Annual Report 2020/21 for consideration.

We thanked the HoAC for collating the report and agreed that we would focus on the JAC Annual Report and JAC members would consider the Action Plan for agreement at the following meeting.

**Action
GO**

We requested that the following changes were made and agreed that any additional amendments received by the HoAC would be actioned accordingly.

Page 2, Chair's Foreword

To amend the Chair's Foreword in relation to TCBC and the SRS having an increased presence at JAC meetings to reflect that they would attend annually to present their annual reports.

HoAC

Page 7, All Wales JAC Training Day

As the JAC Training Day had been re-arranged as a Webinar on 22nd June 2020 the statement 'There is currently no indication as to when this training day will now take place' will need to be updated accordingly.

HoAC

Page 8, Shared Resource Service Audit Plans

As it was agreed that SRS and TCBC would be attending the JAC meeting to present the annual report once a year, it was agreed that the report should be amended to reflect that.

HoAC

TREASURY MANAGEMENT 2019/20 ANNUAL REPORT

15. We received and noted the Treasury Management 2019/20 Annual Report.

We were advised that bank rates had fallen significantly resulting in a loss of investment income and other methods of investment were being considered as a result. A meeting had been arranged with the Treasury Management advisors to identify what innovative practices were available going forward.

However, as in year savings against the budget for 2019/20 had resulted in surplus funding, this could be utilised over the medium term to invest in the Force estate, mitigating the borrowing requirement which would have been more costly.

We asked the CFO to review the dates within the report prior to publication.

CFO

ANY OTHER BUSINESS

16. **Message of Thanks**

We offered our gratitude to all frontline Officers and Staff during these unprecedented times, particularly Sergeant Carl Banks for his bravery at a recent incident and wished him a full recovery from his injuries.

TO IDENTIFY ANY RISKS ARISING FROM THIS MEETING

17. There were no risks arising from this meeting.

The meeting concluded at 13.00