



Internal Audit

FINAL

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

Summary Internal Controls Assurance (SICA) Report

2023/24

September 2023

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 Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police as of 4th September 2023.

Whistleblowing - driving the conversation

2. **The importance of a healthy culture.**

We have seen, over the last few months, the publication of several high-profile reports such as the Metropolitan Police (Casey Review March 2023), University Hospitals Birmingham (Bewick Report March 2023) and Plaid Cymru's review (conducted by Nerys Evans May 2023) where a common theme for each organisation was reported around the treatment of whistleblowers as well as 'poor' organisational culture, failures in leadership and poor whistleblowing reporting mechanisms.

There are so many high-profile incidents that have arisen over the last few years across many sectors and industries, perhaps most notably the #METOO campaign which highlighted sexual abuse in the entertainment industry spanning decades, where, despite there being many reported incidents, the individuals were ignored, ostracised or simply closed down and the matter covered up.

There is a real drive within government to look at the Whistleblowing Laws in the UK to drive through change. It is anticipated that there will be greater onus on organisations to improve their culture and to provide greater support and protection for whistleblowers. The outcome of the government's research is due for completion by the Autumn 2023.

In anticipation of the key messages coming out from the government, we in TIAA are using our expertise and knowledge to support organisations by:

1. Working with organisations to 'health check' organisational culture in respect of whistleblowing;
2. Providing a platform for those responsible for governance, raising concerns, whistleblowing and freedom to speak up guardians to share knowledge expertise, good practice in a forum event.
3. Examining poor practice and looking at the lessons to be learnt from recent incidents in webinar events and through consultation exercises such as online surveys.
4. Sharing the information through benchmarking reports and roundtable events.

Please use this link to keep up to date with our campaign and/or to be part of the conversation and drive through real change and improvement in this important area.

<https://www.ttaa.co.uk/publications/ttaa-organisational-culture-and-whistleblowing-webinar/>

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
Service Improvement Board	Substantial	31/05/2023	14/06/2023	20/06/2023	-	-	1	-
Collaborative - Fixed Assets	Reasonable	15/05/2023	22/06/2023	28/06/2023	-	-	7	1
Collaborative - HR – Use of OLEEO	Reasonable	11/07/2023	03/08/2023	03/08/2023	-	1	-	1
Estates Strategy	Substantial	02/06/2023	04/09/2023	04/09/2023	-	-	-	1
Follow Up	NA	12/05/2023	04/09/2023	04/09/2023	NA	NA	NA	NA

4. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress against the 2022/23 and 2023/24 Annual Plan

5. Our progress against the Annual Plan for 2022/23 is set out in Appendix A and Annual Plan for 2023/24 is set out at Appendix B.

Progress in actioning priority 1 recommendations

6. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA.

Frauds/Irregularities

7. We have not been advised of any frauds or irregularities in the period since the last SICA report was issued.

Other Matters

8. We have issued the following briefing notes and fraud digests through the Client Portal, shown in Appendix C, since the previous SICA report.

Briefing Note
Guidance issued by HMRC on tax avoidance schemes

Fraud Alert
Payment Systems Regulator confirms new requirements for Authorised Push Payment fraud reimbursement
Jail sentence for fraudster after £660K fake invoice scam

Responsibility/Disclaimer


- 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 2022/23

System	Planned Quarter	Current Status	Comments
Vehicle Recovery	1	Final report issued 26/04/2023	Was previously Contract Management – changed to Q4 Presented to June 2023 JAC
Social Media	2	Final report issued 22/09/2022	Presented to October 2022 JAC
General Ledger	2	Final report issued 26/01/2023	Presented to February 2023 JAC
Service Improvement Board	2	Final report issued 20/06/2023	Presented to September 2023 JAC
Estates Strategy	3	Final report issued 04/09/2023	Presented to September 2023 JAC
Local Policing – Property and Cash	3	Final report issued 06/04/2023	Presented to June 2023 JAC
Follow Up	4	Final report issued 04/09/2023	
Contingency	1-4	N/A	
Collaborative Audits			
Data Quality	1	Final report issued 04/05/2023	Presented to June 2023 JAC
Expenses and Additional Payments	2	Final report issued 16/01/2023	Presented to February 2023 JAC
Uncertainty Management – Mitigating Risk	2	Final report issued 16/01/2023	Presented to February 2023 JAC
Fixed Assets	2	Final report issued 28/06/2023	Presented to September 2023 JAC
Creditors	2	Final report issued 09/11/2022	Presented to February 2023 JAC
Payroll	3	Final report issued 20/04/2023	Presented to June 2023 JAC
Capital Programme	3	Final report issued 05/01/2023	Presented to February 2023 JAC
Counter Fraud (Anti-Fraud Procurement)	3	Final report issued 19/05/2023	Presented to June 2023 JAC
Fleet Management – IR3 Telematics System	3	Final report issued 21/03/2023	Presented to June 2023 JAC
Fleet Management - Strategy	3	Final report issued 28/04/2023	Presented to June 2023 JAC


System	Planned Quarter	Current Status	Comments
HR – Use of OLEOO	4	Final report issued 03/08/2023	Presented to September 2023 JAC
Annual Plan	1	Final plan issued 22/05/2022	
Annual Report	4		
Management	1-4		

KEY:

 To be commenced

 Site work commenced

 Draft report issued

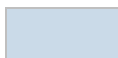
 Final report issued

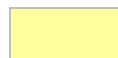
Progress against Annual Plan 2023/24

System	Planned Quarter	Current Status	Comments
Collaborative			
Data Protection Act	2	Dates TBC	All four forces. Lead force: Gwent Police
Payroll	3	Suggested date: 23/10/2023	All four forces. Lead force: North Wales Police
Debtors	3	Suggested date: 23/10/2023	All four forces. Lead Force: Dyfed-Powys Police
Counter Fraud	3	Suggested date: 29/01/2024	All four forces. Lead Force: North Wales Police
Telematics	4	Suggested date: 08/02/2024	All four forces. Lead force: South Wales Police
Creditors	2	Suggested date: 04/09/2023	The three forces are South Wales Police, Gwent Police and Dyfed Powys Police. Lead force: Dyfed Powys Police
Treasury Management	3	Suggested date: 23/10/2023	The three forces are South Wales Police, Gwent Police and North Wales Police. Lead force: North Wales Police
Risk Management	3	Suggested date: 04/09/2023	The three forces are Gwent Police, Dyfed Powys Police and North Wales Police. Lead force: Gwent Police
Joint Scientific Investigation Unit (Gwent Police and South Wales Police)	2	Draft report pending	The two forces are Gwent Police and South Wales Police. Lead force: South Wales Police
Firearms Licencing (Gwent Police and South Wales Police)	3	Suggested date: 23/10/2023	The two forces are Gwent Police and South Wales Police. Lead force: Gwent Police
Information Disclosures (Gwent Police and South Wales Police)	4	Suggested date: 09/10/2023	Suggested that dates are brought forward in light of high-profile FOI breaches. The two forces are Gwent Police and South Wales Police. Lead force: Gwent Police
HR Recruitment and Training	4	Suggested date: 22/01/2024	The two forces are Gwent Police and South Wales Police. Lead force: South Wales Police

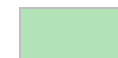
System	Planned Quarter	Current Status	Comments
Gwent Police Only			
Strategic Planning	1	Draft report pending	
Proceeds of Crime Act 2002 (POCA)	1	Draft report pending	
Complaints Handling (OPCC)	1	Draft report issued: 22/10/2023	
Expenses and Additional Payments	2	Suggested date: 28/11/2023	
Budgetary Control	3	Suggested date: 13/11/2023	
Pensions	3	Suggested date: 02/10/2023	
Commissioning	3	Suggested date: 26/09/2023	
Contract Management	4	Suggested date: 12/02/2024	The selected contract is cleaning.
Service Improvement Board	4	Suggested date: 22/01/2024	
Estates Management - Delivery	4	Suggested date: 19/02/2024	
Follow Up - Interim	2	Suggested date: 19/09/2023	
Follow Up – Year End	4	Suggested date: 26/02/2024	
Contingency	1-4	TBC	2 Days
Liaison with Audit Wales	NA		
Annual Planning	1-4		
Annual Report	1		

KEY:

 To be commenced

 Site work commenced


 Draft report issued

 Final report issued



Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Anti-Crime 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 Anti-Crime Alerts issued in the last three months which may be of relevance to Police and Crime Commissioner for Gwent and the Chief Constable 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
10/08/23	23009	Guidance issued by HMRC on tax avoidance schemes		<p>Action Required</p> <p>Raise the profile of tax avoidance across networks and communication channels Support HMRC by sharing the following link with stakeholders to help raise awareness among workers in the health and social care sectors, and to warn them of the risks of getting involved in tax avoidance.</p> <p>Link: https://taxavoidanceexplained.campaign.gov.uk/</p>

Summary of recent Fraud Alerts

Ref	Subject	Status	TIAA Comments
July 2023	Jail sentence for fraudster after £660K fake invoice scam		<p>Action Required</p> <p>The City of London Police were contacted by the organisation that the fraudster had targeted following their discovery that 29 fake invoices had been received and processed through their accounts department. All of the fake invoices had been received as attachments within e-mails that were purportedly sent from the PA of the CEO, and were found in the shared email inbox within the organisation’s accounts department. The invoices were identified as fake as none of the companies requesting funds were legitimate. In addition, each of the invoices had what appeared to be the CEO’s signature authorising payment. All of the fake invoices were processed by a member of staff and evidence was found that linked the insider to the scam.</p> <p>The member of staff, the insider, was instrumental in this fraud being carried out. Insider invoice fraud refers to cases of fraud in which an insider’s access to the organisation’s systems and processes are essential in committing the fraud. Examples of insider invoice frauds, which are likely to increase during this period of increased financial pressures and the rising cost of living include:</p> <ul style="list-style-type: none"> • False payment requests typically during busy periods • Overbilling a debtor and pocketing the difference • Recording false credits or refunds • Creating fictitious suppliers or shell companies for fraudulent payments • Forging signatures on payment authorisations • Submitting false invoices from fictitious or actual suppliers for payments.
July 2023	Payment Systems Regulator confirms new requirements for Authorised Push Payment fraud reimbursement		<p>Action Required</p> <p>This alert provides information and advice to staff about fraud and economic crime, and the risks associated with it. If you think that your organisation has been a victim of APP fraud, contact your Anti-Crime Specialist immediately for advice.</p> <p>The Payment Systems Regulator (PSR) confirms new requirements for banks and payment companies that will ensure more people will get their money back if they are a victim of Authorised Push Payment (APP) fraud; prompting more action to prevent these frauds from happening in the first place.</p> <p>The Financial Services and Markets Bill, which is currently making its way through Parliament, will remove current barriers and allow the PSR to direct firms to reimburse customers. The Bill is expected to receive Royal Assent in 2023, after which the PSR will be able to enforce its requirements on payment firms.</p> <p>Full details at: https://www.psr.org.uk/news-and-updates/latest-news/news/psrconfirms-new-requirements-for-app-fraud-reimbursement/</p>