
19th February 2019 – Llandrindod Wells Combined Services Centre

09.45–10.15

Coffee and registration

Attendees:

Roger, Dawn and Darren from Gwent JAC

11 Attendees from other JAC

10.15–10.20

Introductions

Slides to be provided after the event.

ACTION (all optional): go to <https://www.cipfa.org/mycipfa/my-preference-centre>

To opt in if not receiving CIPFA emails due to GDPR

Please note: Responses have been provided in green below each query.

Update on the latest strategic issues in policing

Alison Dewhirst, CIPFA's Police Advisor, will provide the latest developments in strategic policing issues, including Home Office policy documents and finance issues, together with police specific CIPFA developments such as the new arrangements for CIPFA's Police and Fire Panel.

Notes:

A> Financial police financial settlement for 2019/20 – most coming from raising precepts (Precept increase to £24 for a Band D property) and targeted as follows:

- £90 million for serious and organised crime
- £59 million Counter terrorism increase to £816 m
- £153 million Next year issue is plugging gap on pensions issue
- £175 for police transformation Fund
- £495 million for national police technology capabilities

B> NAO report on Financial Sustainability of Police Forces in England and Wales looking at VFM through lens of Home Office – key points made:

- Lack of comfort in whether police forces know they are being effective
- Starting to see sign of stress on finances
- Push back given on using reserves but now have to publish reserve strategy – a statutory requirement.
- NAO say needs National Strategy for policing not just devolve and let PCC decide priorities
- Need to review police funding formula as doesn't take into account the new demands for police time.

Action: Review of police funding formula has been promised for a while now, how realistic is it that this will happen and be a full and proper review taking into account ne Management Force Plans – Darren and Nigel to answer.

Response:

Extract from the 2019-20 budget report:

The future financial challenge to 2023/24 is exacerbated by the Home Office's (HO) review of the Police Funding Formula. By way of background, once the overall size of the policing budget is determined by the HO (via the CSR), then the amount of funding provided to respective Police and Crime Commissioners is determined by the Police Funding Formula. It has been well publicised that the current formula is out-dated, overly complex, opaque and in need of review. Following a 'false start' to the review process during the latter half of 2015, the review was brought back on track with a hope to produce its findings by February/March 2017, with implementation for the 2018/19 financial year. However, it is believed that with the significant implications of the Brexit negotiations; the result of the 'snap' General Election in June 2017; and the significant increase in the threat of terrorism, the implementation has been delayed. Indeed, in the Provisional 2018/19 Police Funding Settlement, which was announced in a Written Ministerial Statement (WMS) by the Minister of State for Policing and the Fire Service Nick Hurd MP (Minister) on Tuesday 19th December 2017, the Minister states: "I am grateful for the work of the Core Grant Distribution Review, earlier this year, which considered potential changes to the police funding formula. In the context of changing demand and following my engagement with police leaders, providing funding certainty for 2019/20 is my immediate priority. It is intended that the funding formula will be revisited at the next Spending Review." No further update was been provided within the Provisional 2019/20 Police Funding Settlement (Provisional Settlement), which was announced in an oral statement and a letter to the Home Affairs Select Committee by the Minister on Thursday 13th December 2018. However, it is expected that once the work is restarted in the Autumn of

2019 as part of CSR 2019; following full consultation throughout 2020/21, it is assumed that any impact will not occur until the 2021/22 financial year.

Importantly however, early exemplifications from the HO received during 2015 (showing the effect of the then revised Police Funding Formula being suggested), identified a £6m cut in Central Government Grant Funding for Gwent. It could be expected therefore, that the HO will continue with their approach following the significant amount of work undertaken to date. Therefore, from the 2021/22 financial year onwards, the Commissioner could be faced with a £6m cash cut in addition to the underlying cuts forecast from the effect of the Government's austerity programme. It is also likely that this cut will not be actioned in one fell swoop, but transitional arrangements will affect the cut over a number of financial years.

C> Public Accounts Committee also report on Financial Sustainability – Home Office interested in Financial resilience – key points made:

- Force Management Statements to be used to create evidenced statements of demand.
- Review how set up national projects, national projects take too long to deliver
- Home Affairs select Committee report on the future of policing
- Looked at changing trends in crime and policing
- 3 specific areas of demand – online fraud, Child Sexual Abuse and safeguarding vulnerable people
- 2 day training course on mental health to all officers – perhaps get some money from NHS?

Action: We have had deep dives into the 3 specific areas of demand. Would it be worth particularly focusing on these areas in Gwent Force Management Statements to understand how demand risk is being managed within current resources – how do we compare and are there any implications if funding formula was reviewed? – Darren and Nigel

Response:

Briefing on FMS scheduled for June meeting.

D>Speeches to APCC and NPCC – comments on justice

- Right powers not just resourcing
- Increase capacity of police, more support for frontline, be smarter more innovative, more on crime prevention

Action: Suggestion PCC take on some of the role of CPS – is this realistic, is it something that is being strategically thought about in Gwent? PCC

Response:

The PCC has a remit for the Criminal Justice System (CJS) but does not have an oversight role for individual criminal justice agencies including the CPS. The PCC chairs the Gwent Criminal Justice Board which receives reports and oversees activity and performance of criminal justice agencies in Gwent. There are ongoing national discussions about the PCC's remit for the CJS and any significant changes will be subject to consultation. The PCC and the Association of PCCs are sighted and engaged in the discussions regarding remit and the CJS.

E> Proposals on knife crime

- Offensive Weapons Bill going through government at moment, includes coverage of Acid purchases.
- Knife Crime Prevention Order (KCPO) to be brought in.

F> Draft of Domestic Abuse Bill

- Sets out a statutory definition of domestic abuse.
- New Domestic Abuse Commissioner.
- Bring in Domestic Abuse Protection Order.
- Protect victims through special measures for courts.

G> HMIC in Wales – inspection programme and IPA

Action: Copy of programme of inspections for 2019/20 to be provided with internal audit agenda item – for JAC Awareness.

- More risk-based approach to HMIC

Response:

The programme of inspections has not yet been finalised. The proposed programme is on the following link:

<https://www.justiceinspectors.gov.uk/hmicfrs/publications/hmicfrs-2019-20-inspection-programme-and-framework-for-consultation/>

However, its not straight forward. As PEEL is now integrated, fieldwork is continuous. HMICFRS are still debating elements of both PEEL and the thematic they may do. They have also not confirmed which forces are in which tranche for 19/20. In theory we could start PEEL again in September but we will have to wait for notification and this often comes at short notice.

H> Wellbeing – Police Federation survey

- Some high % of responses with not enough people, stress, traumatic experiences – 43.9% saw their job as very or extremely stressful increase of 38.6% since 2016

I> Achieving Finance Excellence in Policing

- CIPFA programme launch.
- 3 themes Financial Management, Data and People.

Action: Darren and Nigel to explain what this means to them and would be good to see assessment against any gaps and plans to improve coming to JAC in the near future – Darren and Nigel

Response:

Gwent (along with the other 3 welsh forces) have signed up to the 2 year programme to achieve financial excellence in policing. CFO/ACOR will periodically report on their findings from the programme following its launch on 4/5 April. First workshops are scheduled for May/June. Update planned for December JAC.



Police brochure A4
8pp v.5.pdf

11.00–11.25

Top tips for earlier closedown of the accounts

Alison Dewhirst will share some of the experiences of police forces and OPCCs in England in their first mandatory year of earlier closedown of the accounts. This will include top tips from the OPCCs and forces who closed their accounts with over a month to spare and audit issues encountered. It will also cover subsequent discussions around audit committee sign off.

Notes:

Very positive about how forces were managing to complete within new tighter deadlines. Main issues where not closed were associated with Auditor delay rather than in house. Slides are really good and capture top ten tips, thoughts on how to deliver early from Kent who closed in April. See slide pack.

All JACS present shared different approaches to covering early close accounts.

ACTION: ANYTHING DARREN HEARD THAT WOULD CHANGE WHAT WE DO or & HIS FINANCE FUNCTION WILL DO? Darren

Streamlining the accounts: Guidance for Local Authorities – available document



Streamling the
accounts

Response:

No – the 10 key tips identified have been adopted for the 2018/19 accounts.

11.25–11.40

Refreshments

Update on the latest governance and audit issues

Diana Melville, CIPFA's Governance Advisor, will provide delegates with an update on the latest governance and audit issues that have implications for police audit committees. This will include CIPFA's recently updated *Position Statement on Audit Committees in Local Authorities and Police* and accompanying guidance *Audit Committees, Practical Guidance for Local Authorities and Police*. Diana will also consider practical examples of good and bad practice in putting together annual governance statements.

Notes:

A> CIPFA Position Statement on Audit Committees

- Key components - value and purpose of audit committee, establishing an independent and effective structure, core functions, characteristics of effectiveness
- Changes – Policing & Crime Act 2017, Delivering Good Governance in Local Government 2016, Public Sector internal audit standards 2017, CIPFA code of practice of managing the risk of fraud and corruption 2014, revised ethical standard for auditors FRC 2016

Key for us to be looking at and **ACTION ON BOLD AREAS TO IMPROVE FOR JAC**

- **Oversight of Shared Services and Partnerships, feel we get limited information and compounded when heard Bob speak in afternoon on all the national initiatives and desire for Wales to act as one where ever possible. – Discussion at JAC**

Response:

Will consider this area when we review the ToR in line with the new CIPFA guidance.

- External Audits
- **Working with Ethics Committees – assurance for us, someone to attend the ethics committee, on agenda with AGS make sure we consider our assurance – Already Agenda item at JAC**
- Publication of annual report
- Key relationship and support for the committee

Response:

Ethics – action from March meeting to share Ethics ToR. Have circulated the annual ethics report that will in future be presented to JAC.

B> Internal audit EQA results and HoI audit opinion

We should be:

- Chair of JAC to be sponsor of the review
- Meet with assessor
- Be satisfied against PSIAS
- Cover client relationships – so need to talk to us
- Needs to be every 5 years

ACTION: FIND REPORT FROM TIAA ON THEIR EQA AND CHECK WE ARE DOING WHAT WE ARE MEANT TO DO – look at slide details to cover this – discussion at JAC.

Response:

This was an action arising from the March JAC. The below update is also included on the action sheet.

TIAAs last External Assessment was undertaken in 2017, by a Consultant appointed by TIAA who is independent of the business; the assessment is also undertaken more frequently than the required 5 years. The sample reviewed is across TIAAs clients. In relation to the CIPFA training, it seems this was more aimed at Council's with (Internal) Internal Audit Departments – the points raised above would then be relevant. For a provider like TIAA with over 400 clients this would just not be feasible or required.

As there is now a collaborative contract with the four forces and PCC's if you all wanted to collectively appoint a Consultant to undertake the review on your behalf this is something you could do.

A copy of the EQA has previously been provided.

- Note that other JAC have been promoting IA to undertake "quick consultancy" activities to help improvement/ risk projects? **Darren view?**

Response:

Comfortable with this suggestion utilising additional audit days if necessary.

C> Governance expectations

- 2016 Good Governance – for our Local Code / MOG (Manual of Governance)
ACTION – need to update MOG so reflects 2016 good governance content still refers to earlier versions (2007) and wrong number of principles – Darren

Response:

The MoCG has been amended to reflect these changes – link to website circulated to members 19/04/19.

- Example on slides on Principle 8 of local authority – Leicestershire County Council could cut down length of Manual of Governance – AGS should then state how did we do. **Darren view?**
- If detail in local code then don't need to have in the AGS. **Worth considering at JAC if we think we have a good balance in our documents – look at slide examples**

Response:

Succinct local code contained in MoCG. Detail compliance therefore articulated in the AGS – see AGS on June agenda.

D> AGS

- Concentrate on evaluation and clear statements – easier to read and get message across.
- CIPFA Briefing – link on slide.
ACTION: Look out for acronyms and jargon – JAC TO CHALLENGE IF NECESSARY WHEN READING
- If available elsewhere use links not repeat detail.
- Tables – Dorset example
- Brighton & Hove – accountability back on what was said last time and opinion really clear.

E> National fraud initiative

- National report - £5.4 million but not specific to police

F> Current risks – cyber security

- www.ncsc.gov.uk/guidance/board-toolkit-five-questions-your-boards-agenda
 - www.nao.org.uk/report/cyber-security-and-information-risk-guidance
-

12.25–12.45

Responding to issues raised so far: discussion

An opportunity for delegates to discuss some of the key issues raised during the morning sessions.

Notes:

Decided issues were raised during training so no session.

12.45–13.30

Lunch

The Role of the All Wales DCC

DCC Bob Evans will brief members on the role of the DCC All Wales, from both a historic and current perspective. He will provide an update on collaborative progress over the last two years and brief members on the current and future direction of travel. He will also comment on the key considerations in the event of policing being devolved to Wales at any point in the future.

Notes:

Bob provided verbal update on his role and National Projects. Captured in brief below

His Terms of Reference cover:

- 1 Relationship
- 2 Potential Devolution of policing in Wales (but observation is that c80% of what police do is non-crime – so devolved in reality if not formal. Thomas Commission)
- 3 New Collaborations
- 4 Existing Collaborations
- 5 Oversight of terrorism and Organised Crime

Agreed with 4 forces that their strategic desire is to collaborate on everything except local policing.

- Need to know where Wales is going. 2025 – align operational process and back offices services in a prioritised way. Major structural change too difficult at moment.
- Focus – policy and procedures, people and technology.

Policy:

- Any new policy requirement for policing will be written once by one force and shared. E.g. body cameras. Updates aligned too.
- People – enablers to change – HR and recruitment collaboration for last 18 months, now as 1 in recruitment e.g. someone applying to be a constable used to take 22 transactions to get recruit to recruitment centre. New system – one data, apply for which ever force. Now only 2.5 hours. What to do with savings now – can we extract from HR.
- Same model for civilian vacancy and community police. Can we cut down vetting people, plus now can move more into workforce planning and mobility.
- Consistent T&Cs – long term intentions to align, start with new joiners in collaborative units, stop allowing local conditions grow.
- Training over 250 courses. Compulsory stuff – share material and look at training requirements – particularly about operational training e.g. driving.
- 16 major digital projects that are going to hit us between now and 2025 – we need in Wales to adopt as one. Individually would mean 76 projects managers so incentive to deliver with less fragmented resource – also procurement benefit, knowledge management, standard policy roll out. E.g. Office 365 offering, skype, rostering, share data in different way, integrated access management.
- Website portal for public. 32 separate functions that they can't do currently on line – so 101 on line. Adopt that as one. National team treat us better if we act as one.
- Digital investigation project – upskill for investigating crimes that need to look at laptops, mobiles etc etc
- Biometric – systems, data base – DNAs, fingerprints – so need to be “criminal” at some point to be recognised.

-
- Emergency service mobile network – single project in policing in a generation. We have 19 year old Air Ways – costs £1m a day. Kit via 4G network. Police have not sign off BC as not convinced we have enough coverage, air to ground, and underground. Has the voice of policing been heard. Latest needs to be turned on 2022 – same time as Commonwealth games in B’Ham. Service really kicking back. Need to show proof of concept.
 - For control centres need to be upgraded for this - new system called Kodiak. Replace all control rooms at same time and could reduce “darkside”.
 - Forensics – original plan was to aggregate labs into 3 hubs for UK – national – need to protect Wales if devolved. 3 centres in Wales, already share – need accreditation, (Crimes scenes, fingerprints, travel accidents)

Regional projects

- IT convergence – Operations Management System 1 to join other 3
- Join up to better represent Wales in Comprehensive Spending Review, unique Welsh legislation, formula, major projects in Wales (infrastructure and need to consider police requirements)

Metro Project – road rail project – swales valleys into Cardiff. Design – crime prevention, etc – British Transport police – Gwent and S wales.

Stuff coming out of Whitehall doesn’t take account of what is devolved in Wales. Aim to get Whitehall and Welsh Assembly to discuss – launched policing board for Wales.

ACTION: Can we discuss this principle of one Wales – doesn’t appear to have come across that strongly at JAC, for Value for Money it sounds like JAC should challenge more that Gwent isn’t going alone/ or understand more what Gwent is doing together, leading on, receiving from others. DID WHAT BOB SAID RESONATE WITH DARREN?

Response:

Gwent OPCC and force are fully sighted on Bobs remit and progress of work. Could consider deep dive on collaboration as part of the VfM profiles each year in December. SPB agendas and mins shared with JAC members via decisions made link sent out monthly.

Anticipated professional guidance and updates from CIPFA

Diana Melville will signpost some of the professional guidance being developed by CIPFA for release this year, such as the anticipated CIPFA Statement on the Role of the Head of Internal Audit, which will include the relationship to the Audit Committee and case studies of good practice. CIPFA is also developing a Financial Management Code of Practice which is due for publication in September.

Notes:

CIPFA statement on the role of the head of internal audit

- For us Head of Internal audit is in TIAA – is it one person. **Darren we should state who this is – you said Vicky?**
Response:
 Yes – this is correct
- 5 principles of the statement – JAC check covering the right areas – we do this!
- **CIPFA Statement on what the audit committee needs to know coming out in April – something for June or July?**
Response:
 Will be circulated when available
- **Local Government Application Note – mandated so we should look at this publication in March – it has a check list to evaluate local arrangements?**
Response
 Trying to obtain a free copy – once achieved CFO/ACOR will interpret requirements and report to JAC in due course.
- Quality Assurance and Improvement Programme – see link on slides.

CIPFA's Professional Code Hierarchy & Index

- Concern around financial resilient
- Papers – and resilience index in slides
- Financial Management Code Hierarchy
- Principles – standards formal consultation – spring, come out September
- Tighten up appendix on section 144
- **CHAT WITH CFO WHEN IT DOES COME OUT, lead to oversight on how it is going to be adopted locally – and have sight implementation. – Darren will this be built into Agenda items?**
Response:
 Yes it will.
- **Use as an assessment of gaps using mapping CIPFA Management Standard onto CIPFA Principles of Good Financial Management slide – suggested by Darren.**

Refreshments

14.40–15.10

Key areas of risk

Diana will give a short presentation on the key areas of risk identified in recent HMICFRS reports, such as crime data integrity, child protection etc and will facilitate a discussion on how well sighted the audit committee is on key risk areas, the robustness of systems for multi-agency working, governance and controls.

Notes:

Examples of JAC reps sitting in governance issues for the HMIC area? **WHERE?**

We do get access to reports and we do have updates and presentations.

Ran through the common themes coming out of reports.

Oversight of governance and assurance role, internal audit plans for the force.

THIS TRAINING MADE ME QUESTION ON OUR SPLIT AND WHAT WE LOOK AT – WE ARE NOT ABOUT THE OPERATIONAL BUT IT IS THE CLARITY ON OVERSIGHT OF GOVERNANCE ENSURING THE OPERATIONAL IS BEING EFFECTIVE AS POSSIBLE AND NOT RUNNING TOO HIGH RISKS OR UNMANAGED RISK. – A challenge to be raised again at JAC, as CIPFA seem to be expecting us to be a little more in the oversight than we are? Darren and Roger thoughts on this from the day?

Response:

Darren agrees with Dawn's note above – capture with review of CIPFA guidance for audit committees.

15.10–15.30

Responding to current challenges: discussion

An opportunity for delegates to discuss the different ways police audit committees can influence, add value and gain assurances in relation to collaboration and transformation programmes, as well as ideas to improve the effectiveness of the audit committee.

Notes:

Decided challenges were raised during training so no session.

15.30

Close
