



Internal Audit

FINAL

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

Summary Internal Controls Assurance (SICA) Report

2021/22

February 2022

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 Gwent Police as at 23rd February 2022.

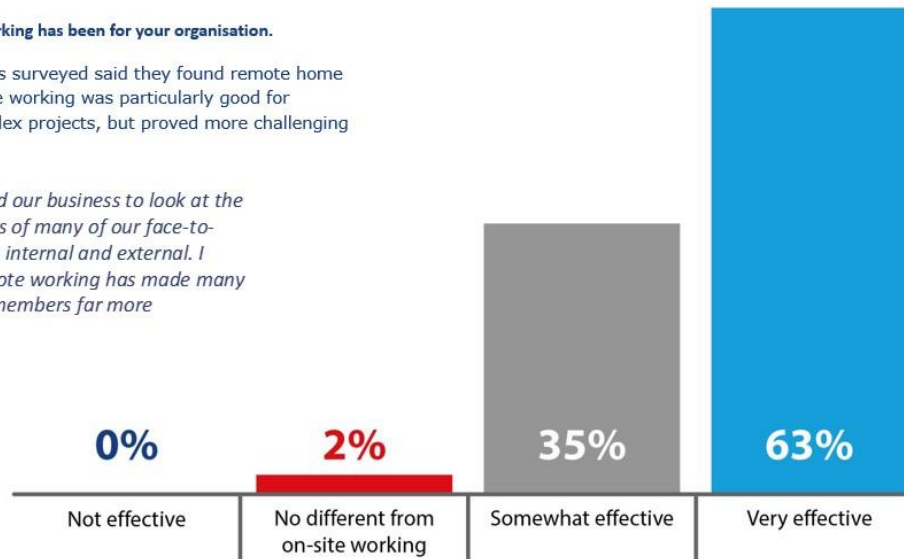
Emerging Governance, Risk and Internal Control Related Issues

2. In our recent 'Post-Lockdown Working Practices Briefing', we explored the results of our survey of clients to ascertain how organisations are planning to deliver some of their functions going forward. We asked a number of questions regarding home working and its effectiveness since the pandemic started.

How effective remote home working has been for your organisation.

Overall, Operational Directors surveyed said they found remote home working very effective. Home working was particularly good for concentration on more complex projects, but proved more challenging for collaborative working.

“ This has forced our business to look at the costs of and benefits of many of our face-to-face meetings, both internal and external. I would say that remote working has made many of my senior team members far more productive. ”
 - Survey Participant



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
Collaborative- Automatic Number Plate Recognition (ANPR)	Reasonable	8 th October 2021	12 th January 2022	12 th January 2022	0	4	2	1 ¹
Collaborative- Budgetary Control	Substantial	17 th December 2021	30 th December 2021	26 th January 2022	0	0	0	0
Collaborative- Treasury Management	Substantial	12 th January 2022	31 st January 2022	2 nd February 2022	0	0	0	0

Note 1: One priority 3 and the OEM are generic and relate to all four forces.

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

Progress against the 2021/22 Annual Plan

5. Our progress against the Annual Plan for 2021/22 is set out in Appendix A.

Changes to the Annual Plan 2021/22

6. The Collaborative Fixed Asset Register review has been cancelled and replaced by a review of Firearms Licensing which was identified and agreed as a change to the plan at the September 2021 Joint Audit Committee meeting.

7. There have been two further changes to the plan which have not yet been reported to the Joint Audit Committee. These relate to the Collaborative Creditors and Collaborative Payroll reviews. The individual who had been assigned to the audits and who had been working on the audits across the four forces from the end of October to December went on long term sick leave in mid-December and subsequently resigned. The work that was uploaded on our system for both audits was incomplete and was not on the individual's laptop which was returned in January 2023, despite assurances from the individual concerned that fieldwork had been largely completed and written up. TIAA has spoken to each Force with a view to rearranging the reviews to re-perform the audits but unfortunately with year-end approaching and external audit commitments the Finance team is not able to accommodate this prior to the year end. We have therefore agreed to undertake the two audits in quarter 2 next year. We have completed sufficient internal audit work to support our annual opinion and both areas have had substantial assurance opinions in recent reviews (2020/21),

Progress in actioning priority 1 recommendations

8. We have been advised that progress of completion of recommendations is monitored internally and not to include within this summary report, following a decision at the February 2016 Joint Audit Committee.

Root Cause Indicators

9. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for Gwent Police. Each recommendation made is analysed to establish the underlying cause of the issue giving rise to the recommendation (RCI). The analysis needs to be considered over a sustained period, rather than on an individual quarter basis. Percentages, rather than actual number of reviews/recommendations made permits more effective identification of the direction of travel, however the number of recommendations is included in brackets for context. A downward arrow signifies a positive reduction in risk in relation to the specific RCI.

RCI – Direction of Travel Assessment

Root Cause Indicator	Qtr 4 (2020/21)	Qtr 1 (2021/22)	Qtr 2 (2021/22)	Qtr 3 (2021/22)	Qtr 4 (2021/22)	Medium term Direction of Travel	Audit Observation
Directed							
Governance Framework	22% (3)	n/a	8% (1)	33% (2)		↑	Broad range of recommendations in Quarter 2, although Control Compliance and Performance Monitoring continue to have the most recommendations.
Risk Mitigation	-	n/a	8% (1)	-		↓	
Control Compliance	57% (8)	n/a	59% (7)	50% (3)		↓	
Delivery							
Performance Monitoring	14% (2)	n/a	25% (3)	-		↓	
Financial Constraint	7% (1)	n/a	-	-		↔	
Resilience	-	n/a	-	17% (1)		↑	

Frauds/Irregularities

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

Other Matters

11. We have issued a number of briefing notes and fraud digests, shown in Appendix C, since the previous SICA report.

Briefing Note
Amazon and VISA Settle Dispute
HMRC Review into VAT Charges on EVs
Transforming Public Procurement: Government Response to Consultation
Employing Someone from Outside the UK
Amazon Postpones Changes to Payment Methods
Amazon to Change Payment Methods
Increasing Password Security
Fraud Alert
Call 159 to Check if a Call From Your Bank is Genuine

Responsibility/Disclaimer

12. 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

System	Planned Quarter	Current Status	Comments
Business Continuity Recovery Planning	1	Final report issued 29 th September 2021	Presented to December 2021 JAC
Risk Management – Reporting Mechanisms	1	Final report issued 6 th October 2021	Presented to December 2021 JAC
Fleet Management – Single System Electric Vehicles	1	Final report issued 3 rd November 2021	Presented to December 2021 JAC
Local Policing – Property and Cash – Part 2 (carried forward from 2020/21)	1	Planned 15 th December 2021	Deferred from Q1 at client's request. A further request has been received to defer again to Q1 2022/23
Service Improvement Board themes	2	Final report issued 29 th September 2021	Presented to December 2021 JAC
Vetting	2	Final report issued 29 th September 2021	Presented to December 2021 JAC
Estate Management - Delivery	2	Fieldwork ongoing	Report due shortly
Follow Up Quarter 2	2	Final report issued 5 th November 2021	Presented to December 2021 JAC
HR Management – Absence Management	3	Final report issued 4 th November 2021	Presented to December 2021 JAC
HR Management – Recruitment and Training*	3	Fieldwork ongoing	Report due shortly
Firearms Licensing	4	Planned 7 th March 2022	Replaces Collaborative Fixed Assets
Follow up – Quarter 4	4	Planned 28 th February 2022	
Collaborative Audits			
Collaborative- Counter Fraud (Anti-Fraud Procurement)	4 3	Fieldwork ongoing	Lead Force – NWP Audit delayed due to time taken to agree area for coverage. Audit completion delayed due to sickness but will be issued prior to the year end.

System	Planned Quarter	Current Status	Comments
Collaborative- Pensions – All Wales Pension Board	2	Final report issued 11 th November 2021	Presented to December 2021 JAC
Collaborative- Safety Camera Partnership	2	Final report issued 23 rd November 2021	Presented to December 2021 JAC
Collaborative- Automatic Number Plate Recognition (ANPR)	2	Final report issued 12 th January 2022	
Collaborative- Agile Working	2	Final report issued 1 st October 2021	
Collaborative- Electronic Time Management	2	Fieldwork ongoing	Draft report due shortly
Collaborative- General Ledger	3	Final report issued 25 th November 2021	Presented to December 2021 JAC
Collaborative- Debtors	3	Draft report issued 23 rd February 2022	
Collaborative- Fixed Assets	3	CANCELLED	Replaced by Firearms Licensing
Collaborative- Payroll	3	DEFERRED To Q2 2022/23	
Collaborative- Creditors	3	DEFERRED to Q2 2022/23	Lead Force – SWP Delayed due to AC illness
Collaborative- Budgetary Control	3	Final report issued 26 th January 2022	
Collaborative- Treasury Management	3	Final report issued 2 nd February 2022	

KEY:




	To be commenced		Site work commenced		Draft report issued		Final report issued
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Briefings on developments in Governance, Risk and Control


TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Counter Fraud 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 Fraud Alerts issued in the last three months which may be of relevance to 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
17/02/2022	CBN22007	Amazon and VISA Settle Dispute		<p>Potential Urgent Action Required</p> <p>Following on from the previous related CBN in January 2022, clients are advised to establish what internal process changes were made as a result of the previous announcements and consider whether there is merit in continuing to use Visa credit cards.</p>
07/02/22	CBN22006	HMRC Review into VAT Charges on EVs		<p>Action Required - Not Urgent</p> <p>Organisations are advised to ensure that the appropriate HMRC compliant arrangements are in place.</p>
17/01/22	CBN22003	Transforming Public Procurement: Government Response to Consultation		<p>Information Only</p> <p>In December 2020, the Cabinet Office set out proposals for shaping the future of public procurement legislation with the publication of a Green Paper, Transforming Public Procurement. The Government has now analysed the consultation and published a review of the responses received.</p> <p>Link: Transforming Public Procurement: Government response to consultation</p>
17/01/22	CBN22002	Employing Someone from Outside the UK		<p>Information Only</p> <p>UK Visas and Immigration has published guidance for employers on employing someone from outside the UK.</p> <p>Link: Employing someone outside the UK</p>

Date Issued	CBN Ref	Subject	Status	TIAA Comments
17/01/22	CBN22001	Amazon Postpones Changes to Payment Methods		<p>POTENTIAL URGENT ACTION REQUIRED</p> <p>Amazon, who previously confirmed that they will no longer accept UK-issued Visa credit cards as a payment method, announced on 17th January 2022 that the change will no longer take place on the 19th January 2022 as expected.</p> <p>Link: Amazon.co.uk Help: Accepted payment methods</p>
13/12/21	CBN21048	Amazon to Change Payment Methods		<p>POTENTIAL URGENT ACTION REQUIRED</p> <p>Clients are advised to establish whether they make any online purchases from Amazon and if so, whether these purchases currently use a Visa credit and/or procurement card. If this type of card is in use, then clients are advised to put alternative arrangements in place before 19th January 2022.</p> <p>Link: Amazon.co.uk Help: Accepted payment methods</p>
26/11/21	CBN21045	Increasing Password Security		<p>Action Required - Not Urgent</p> <p>Audit Committees and Boards are advised to seek assurances from IT leads that current password controls reflect current NCSC good practices and include the usage of multi-factor authentication where possible.</p> <p>https://www.ncsc.gov.uk/guidance/multi-factor-authentication-online-services</p> <p>https://www.ncsc.gov.uk/collection/passwords/updating-your-approach</p> <p>https://www.kentonline.co.uk/kent/news/hackers-leak-school-files-in-highly-sophisticated-cyber-at-257476/</p>

Summary of recent Fraud Alerts

Ref	Subject	Status	TIAA Comments
January	Call 159 to Check if a Call From Your Bank is Genuine		<p>Action Required</p> <p>This alert provides information and advice to employees about fraud and economic crime, and the risks associated with it.</p> <p>If you have fallen victim to fraud or cyber-crime you should report it to Action Fraud by calling 0300 123 2040, or visit: www.actionfraud.police.uk</p> <p>If you have given out your bank details and think that you may have lost money, contact your bank immediately by dialling 159 if your bank is listed on the left, or using a known contact number for your bank.</p>