

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

JOINT AUDIT COMMITTEE

7th October 2020

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

Together with: Mr J Cuthbert – Police and Crime Commissioner (PCC)
Mr D Garwood-Pask – Chief Finance Officer (CFO)
Mrs S Curley – Chief Executive (CEX)
Mrs N Warren – Governance Officer (GO)
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)
Mr J White – Chief Inspector, Covid Recovery (CR)
Mr I Roberts – Assistant Chief Constable (ACC)
Mr D Broadway- Head of Criminal Justice Department (HoCJD)
Mr O Petty – Staff Officer (SO)
Mr C Morgan – Custody Inspector (CI)
Mrs T Veale – Audit Wales (AW)
Ms A Harkin – Audit Wales (AW)
Ms H Williams – Audit Wales (AW)
Mrs H Cargill – (TIAA)
Mr S Gourlay –(TIAA)

The meeting was held online via Teams due to Covid19 and commenced at 10:00am. Mr I Roberts and Mr N Stephens 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 the Chief Constable, Ms P Kelly.

DECLARATIONS OF INTEREST

2. The Chair advised us that she had joined the Advisory Committee of Quinbrook, a renewables energy investment company and had also become a shareholder of the Pride of Lions Ltd company.

EXTERNAL AUDIT UPDATE REPORT AND THE ANNUAL AUDIT OF FINANCIAL STATEMENTS – ISA260

Action

3. We received the following reports from Audit Wales:

a) Audit update

The four Welsh Forces had produced an action plan in response to the Value for Money (VfM) audit briefing on collaborative working arrangements. The briefing had been well received at the All Wales Policing Group (AWPG) on the 17th September 2020 and was to be presented at the following Joint Audit Committee (JAC) meeting for review.

All on-site audit work including the planned review of the Shared Resource Service (SRS) collaboration work had been delayed due to Covid19, in order to allow public body organisations time to focus on their core functions. However, there were a number of on-line planned meetings commencing from the end of September 2020 and a joint report on the findings of the SRS review would be available by the end of 2020.

AW were to conduct a review of collaboration of emergency services in Wales to identify opportunities for greater service integration and collaboration, whilst also highlighting potential challenges and risks. The findings from the review would be set out in a report including recommendations and comparison and commentary on emergency services in Wales. AW plan to issue their report in November 2021.

In addition to the Value for Money conclusion work, JAC requested sight of the findings from the Shared Resource Service (SRS) review, the Emergency Services Collaboration review and the AW study on arrangements for cyber resilience in Wales. The ACOR confirmed that all of the reports would be presented to JAC.

AW agreed to provide a summary of the SRS report once the workshops with SRS had been completed.

AW

The cyber resilience report would be presented to JAC at the end of 2020.

AW

We asked if the progress update on page 11 could be amended to reflect that the decisions taken by the Government in July 2020 in response to the McCloud judgement had caused the delay in the production of the final statement of accounts, due to late pension adjustments having to be made, which was outside of Gwent Police's control. AW agreed to amend and reissue the document.

AW

We queried how long the legacy balances had remained in some of the control account reconciliations and why they had not yet been cleared. We were informed that the balances were a by-product of the transfer from the old financial system to the new system in July 2017. The Force

had planned to commence clearing the legacy balances but this had been superseded by the impact of Covid19. The CFO assured us the HoF had planned to review the balances in November 2020.

Action

We queried if the Finance Team had received the planned VAT training in January 2020 and the HoF confirmed that VAT training had taken place and a VAT consultant had also provided support if required.

b) Annual Audit of Financial Statements – ISA260

AW explained that it had been a challenging year in that work processes had changed and had to be conducted online due to the impact of Covid19. AW thanked the Finance Team for their effort in producing the draft Statement of Accounts on the 10th June 2020, which was only slightly later than the statutory deadline of the 31st May 2020.

The completion of the audit of the draft Statement of Accounts had taken longer than the expected date of 31st July 2020, as auditors were not able to conduct work on-site and the late adjustments to the pension funds had delayed the audit process further. The audit report was expected to be signed off on the 12th October 2020.

AW intended to issue an unqualified audit opinion for both the Commissioner's and the Chief Constable's Statement of Accounts, following receipt of the Letters of Representation.

AW were to review what they had learnt through the audit process as a result of Covid19 and whether there were innovative practices they could adopt in the future to enhance the process.

We were advised that an 'Emphasis of Matter' paragraph had been included in the audit opinion of both Statements of Accounts, to identify the material uncertainty clause disclosed in the fund manager's year-end valuation report for the UK property fund they managed on behalf of the Greater Gwent Pension Fund. This did not mean that the audit constituted a qualified audit opinion, only that AW had a duty to highlight the disclosure of the material uncertainty for both organisations.

JAC questioned why management had made the disclosure as it was not yet considered material. The CFO explained that it was a consistent Emphasis of Matter across the public sector and the decision was taken to disclose it due to the uncertainty raised by the funding advisors and although it was not material at this time, it could be in the future. In the interest of openness and transparency, should the matter become material, members of the public would have been made aware through the disclosure. Whilst noting this explanation, JAC expressed continuing reservations over the reasonableness of this approach given the immaterial exposure to UK property fund with the concern that the public could wrongly infer that GP/ OPCC had significant financial risks in this area.

AW informed us that Gwent were not an outlier in this, as Emphasis of Matter paragraphs had been included in their audit opinions across the public sector this year.

Action

Should there be a delay such as the McCloud pension issue in the future, JAC asked that they be consulted earlier on in the process.

There were three remaining uncorrected misstatements identified in the Statements of Accounts, none of which were identified as material.

The misstatements were in relation to:

- Overstatement of provisions - AW noted a provision balance for pay awards of £232,000 that had not been utilised over the past 12 months, and which they understood was no longer required. Management have agreed to review the provision in 2020/21 and adjust accordingly;
- Transfer between the Revaluation Reserve and Capital Adjustment Account - AW's review of Fixed Assets noted that the transfer from the Revaluation Reserve and the Capital Adjustment Account was understated by £137,000 due to an error within the Fixed Asset Register. Given that this is an adjustment between two Unusable Reserves, management have agreed to adjust for this during 2020/21; and.
- In-year fixed asset additions relating to purchases made in prior years - Laptops had not been accounted for in the year that they were received, due to a delay in the distribution of the invoice between South Wales Police (SWP) and Gwent Police. Furthermore, during AW's testing of fixed assets, Gwent Police were unable to provide AW with the location of these laptops and so were unable to verify their physical existence

We sought assurance that the process of recording of assets on the asset register was being strengthened, as it was even more important in these uncertain times to be aware of where Force assets were at any given time. The CFO advised us that the serial numbers of the laptops had been obtained and a full reconciliation of ICT equipment had been instigated through SRS and Business Change, as part of the transfer between the old and new fixed asset registers.

The ACOR explained there was an issue with identifying some of the laptops as ex-employees were leaving laptops with supervisors, having not followed the correct protocol of returning them to the Information and Communication Technology (ICT) team before they left the organisation. Some employees had also continued to use their old desktop computers, as the new accompanying dual screens had not been rolled out and there was no facility to link their new laptops to their old screens.

There had been a delay in the collection of the old devices due to Covid19, however, it was expected that the completion of the new dual screens would be rolled out and the spare laptops collected by the end of December 2020. We were assured that a full reconciliation of laptops would be completed.

Action

ACOR

There were additional issues raised during the audit that needed to be addressed as indicated in the report. The most significant issue related to the proposed remedy to the McCloud/Sargeant judgement, as it had been estimated that the impact on the Police Pension Funds could be a 1% decrease in the pension liabilities, equating to circa £14 million for the Gwent Police. As a result, auditors had to take the decision whether to issue a qualified audit opinion or to allow time for the Force to seek the updated valuations from the pension actuaries. AW took the decision to align with the National Audit Office (England) to delay the auditing of the accounts and enable organisations time to obtain the information required. This decision was considered appropriate by the CFO.

AW confirmed they had complied with the ethical standards that applied to their work by remaining independent of the Force and their objectivity had not been compromised in any way throughout the process.

STATEMENT OF ACCOUNTS 2019/20 AND APPROVAL OF THE JOINT ANNUAL GOVERNANCE STATEMENT

4. We received a presentation from the HoF that provided us with an update on the differences between the draft accounts and the final accounts.

We thanked Mr J Sheppard for reviewing the draft Statement of Accounts and all involved for their hard work in the preparation of the accounts in challenging conditions.

Mr J Sheppard's queries were put to Management and responses were noted by JAC members prior to the meeting. We acknowledged the accounts had improved this year and there were some unresolved issues which were very likely to be due to the challenges brought about by Covid19. We noted that working practices had changed for the long term and it was important that the improvements made during the process were adopted going forward as the changes should be considered normal practice.

There was slippage in the accounts closedown due to a delay in the retrieval of collaboration information for SWP brought about by the impact of Covid19. This meant the 31st May deadline for the production of the draft accounts could not be met and they were subsequently signed off by the CFO and the ACOR on the 10th June 2020. Although the statutory deadlines for both the draft accounts 31st May and the final accounts 31st July were missed, there were no repercussions on Police and Crime Commissioner (PCC) or the Chief Constable (CC) as there was an

accounting and audit regulation clause that allowed for slippage in certain situations, such as the impact of Covid19.

Action

The McCloud judgement was a significant factor in the delay in the production of the final accounts, as the required revised pension figures were received from the Government Actuary Department (GAD) and the Local Government Pension Scheme (LGPS) between the end of August 2020 and mid-September 2020.

Other major events throughout the year included the voluntary termination of the Private Funding Initiative (PFI) contract in February 2020 and unexpected Covid19 costs from March to date; the majority of which fell into the 2020/21 accounting period.

The final outturn of the accounts stood at £98,000, against a budget of £129 million and usable reserves had decreased by £9 million; both these figures remained unchanged from the draft accounts. However, the unusable reserves figures had changed due to the movement in the pension figures

There were two major adjustments on the balance sheet including the reversal of a brought forward pension accrual debtor which should have been offset against a Short Term Creditor for the same amount and the changes to the long term liabilities figure due to the McCloud judgement.

We were advised that a Finance Post Project learning session was taking place following the meeting, to review the closedown timetable in order to ascertain if improvements could be made for the following year's process. The results of which would be shared with AW and at a future joint meeting with other Force Finance Teams. The agreed actions would be brought to a future JAC meeting as was normal practice.

We asked that the segregation of invoice costs for Force collaborative work be included as part of the collective lessons learnt process in light of the delay in distribution of the laptop costs. The HoF advised us there had been a change in the Head of Collaboration (Finance) in the last 6 months and subsequently the Force had been liaising with him on a more regular basis. Inter-Force work was one of the areas under review in order to minimise the flow of invoices between Forces.

HoF

We asked if there was to be a simplified summary version of the accounts for publishing as the current format was quite complex. The CFO informed us that he supported the idea recommended in the recent Redmond Review, but was in the process of assessing resource requirements needed to collate the document.

CFO

JAC recommended approval of the Annual Governance Statement and the Statements of Accounts, which were to be signed off by the 12th October by the CC and PCC and published the following week.

The CFO and ACOR expressed their gratitude to the Finance Team for their assistance throughout the process and AW for the work they had undertaken in exceptional circumstances.

Action

The PCC left the meeting at 11:18am

We agreed to take item 7, Presentation on Business during Covid19, item 9, Presentation on the Evidential Property Stores, item 11, Headquarters verbal update and return back to item 5, Approval of the Joint Audit Committee Annual Report and item 6, Minutes and Actions following that, as some attendees had to leave the meeting early.

PRESENTATION ON BUSINESS DURING THE COVID19

5. We received a presentation on Business during Covid19.

The following key areas were highlighted:

The Force followed the model of eight thematic areas, in line with the national approach to capture the lessons learnt during Covid19.

The Police response during the Covid19 was assessed by Heads of Department, to ascertain what approaches would be maintained, adapted or discounted going forward.

Good practice and lessons learnt had been shared through weekly meetings with other Forces and Gwent had led of many of the approaches that were adopted by other Forces.

The Gold, Silver Business Support and Silver Operational Support meetings had provided the appropriate command structure to capture Force response policy and daily decision making throughout Covid19.

The logistics cell was established during the initial stages of lockdown to manage testing, absence management, the laptop rollout, and the provision of Personal Protective Equipment (PPE). The laptop rollout had enabled members of staff who were shielding, to continue working.

We asked for further information on SRS adapting to the changes brought about by Covid19. We were advised that the logistics cell co-ordinated and accelerated a business need of an additional 100 laptops for a short period of time for those who were shielding. The logistics cell has subsequently been disbanded, as the immediate urgency for SRS service provision had reduced as the initial issues raised had been addressed. The additional laptops were issued to those who had previously identified themselves as fixed workers (those who couldn't work remotely), but who were actually able to work from home. The responsibility for absence management and sourcing of PPE had been allocated to other departments within the Force to manage. In light of the recent localised

lockdowns, the Force continued business as usual and the establishment of a logistics cell was not adopted.

Action

A daily document was generated and scrutinised to ensure maximum productivity. Any correspondence received from Governing bodies such as the National Police Chiefs' Council (NPCC) was streamlined and disseminated from a single point of contact.

During Covid19 there was a dedicated corporate communication plan, including regular messaging in order to share up to date information with staff members and officers in relation to Covid19 secure working practices.

A more efficient electronic timesheet facility was also adopted, which had enabled efficiency savings and was to be maintained following Covid19.

Gwent were one of the first Forces to introduce Microsoft Office 365 and used their experience to provide information on good practice to other Forces in the use of Microsoft Teams online meetings. Microsoft Teams was also used to continue the Force recruitment process. It had also benefited partnership working, particularly the Strategic Co-ordination Group meetings.

As of the end of June 2020, the total Covid19 related costs to the organisation stood at £650,000, the majority of which related to the provision of PPE and Covid19 testing. The Home Office had confirmed that £317,000 of the costs borne to date was to be reimbursed for medical graded PPE. In order to reduce costs, future PPE provisions would be purchased from national suppliers, as opposed to local suppliers. However, contact with local suppliers had been maintained should their services be required in the future.

In order to safeguard the most vulnerable members of the community, the Force implemented a number of processes during Covid19 in order to maintain a good service, particularly in the area of Domestic Abuse, such as Silent Solution; Signs of Life checks; and the Operation Encompass process was adapted to maintain contact with Education services for the safety and wellbeing of children.

Community tension forums were established to engage with the Force's Independent Advisory Group (IAG) and community stakeholders, to gauge the sentiments of the community in order to react appropriately. The Force had also appointed additional members of the IAG to sit within the new IAG model.

In order for the Force to continue receiving calls whilst maintaining a safe environment the Force Control Room (FCR) was split across three different locations. At the initial onset of Covid19, staff members started to take 101 calls from home.

There was increased contact via the FCR's Social Media desk during Covid19, but the overall FCR service was not impacted, as these roles could be undertaken from home.

Despite the increase in the number of reported incidents, there was a significant drop in crime for the period of 26th March to 11th May of 19%. However, there were increases in certain crime types, which was most likely due to the officers having more time to investigate problematic areas due to a drop in other demand brought about by the lockdown.

The number of reported incidents for assault of emergency workers, serious violence, residential burglaries was also lower in Gwent than the national average.

Anti-Social Behaviour had risen significantly during lockdown, however, having categorised the incidents, it could be seen that the majority of the behaviour was related to incidents related to Covid19, such as members of the public congregating in groups and breaches of Government guidelines.

The Force was an outlier in terms of the number of Domestic Abuse incidents reported, with a 10% increase against the national average. This was most likely due to be the approach taken by the Force with the use of 'Signs of Life' and 'Silent Solution' processes and the Corporate Communication Team encouraging victims of abuse to report incidents.

There was a dedicated landline managed by the Area Incident Sergeants within the FCR, which ensured sickness was being monitored and recorded under the appropriate sickness category.

Online operational safety training had been reintroduced in 'one-hour' skill refresher sessions, to ensure officers' training requirements were being met whilst being deployed to other areas of the Force.

Gwent were one of the first Forces to adopt safety measures within Custody units, such as safety screens; additional hand washing facilities; dedicated phone lines; and were one of the only Forces to equip all Force response vehicles with two PPE kits. The virus protections in custody were commended by the Law Society.

The Chief Inspector thanked the voluntary Special Constabulary for the services during Covid19, as their hours of voluntary service had increased to 8,272 hours.

The number of arrests had increased during Covid19 and this level had been maintained. Investigation outcome rates had also improved.

We asked what impact the changes resulting from Covid19 had on the morale of staff and officers in terms of their wellbeing. We were advised that supervisors had maintained good communication with their teams

and morale had been good. We were advised that Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) were conducting an Inspection shortly and a task force had been set up to seek the views of front line staff, to ascertain how supported they felt and to identify if any lessons could be learnt during Covid19.

The lack of PPE in the initial stages had caused most concern, but this was not dissimilar to other Forces. The Force were able to acquire PPE within 3 weeks and subsequently levels have been maintained.

In the early days of Covid19, leave days were cancelled but this was not a major concern as the majority of staff had cancelled their leave due to the lockdown restrictions.

Increased workload was another issue of concern which was under review but in general, the indications were that the front-line staff were appreciative of the way the Force had responded to Covid19.

During the initial stages of the Covid19 when restrictions were being enforced, officers conducted vehicle checks which had resulted in a number of illegal vehicles being identified and other traffic offences. We asked if that approach was to be continued. We were informed that the Force had been engaging with the public to educate them on the restrictions, but over the next couple of weeks they had planned to enforce the restrictions as the public were more aware of restrictions due to public messaging.

We asked who was responsible for monitoring the public house opening times during the lockdown and we received confirmation that it was a joint process between the Local Authority and the Police.

We thanked the Chief Inspector for his presentation and the Force for their hard work during these unprecedented times.

The PCC returned to the meeting at 11:34am.

EXCLUSION OF THE PRESS AND PUBLIC

6. The information contained in the report(s) below has been subjected to the requirements of the Freedom of Information Act 2000, Data Protection Act 2018 and the Office of the Police and Crime Commissioner for Gwent's public interest test and was deemed to be exempt from publication under section 7

Mr J White, Chief Inspector left the meeting at 12.03pm

PRESENTATION ON EVIDENTIAL PROPERTY STORES

7. We received a presentation on the Evidential Property Stores.

The ACC acknowledged the concerns raised by the JAC regarding the review of Local Policing – Property and Cash conducted by TIAA in December 2019 as it had received a limited assurance rating.

We were advised that the issue of evidential storage was a problem for all Forces, as evidence had to be retained throughout the judicial process before it could be disposed. The last 10 years had been particularly difficult, as the police workforce in England and Wales had reduced by 10% and the population had increased by 7%.

A new Property Management System was implemented in 2013, in order to ensure property was not stored in local stations for longer than necessary. This included managed centralised storage in Bettws, a new IT system and an electronic tracking system.

TIAA conducted a review of the property stores in 2018 and several issues were identified, which included property being retained in local stores for long periods of time; insecure access to the stores; no CCTV in the vicinity; and the IT system was not being updated consistently when property had been moved.

There were several contributory factors causing the issues, including lack of ownership of the property; supervisory capacity had been reduced; it had not been considered a priority by officers to dispose of the property; and some officers were not using the system correctly.

An Evidential Management Project team was established in order to address the issues. Clear objectives were agreed, including, the clearance of property from the local stores to the main store; updating of the system with the location of property that had been moved; to implement new policies and processes; and to review storage provisions.

As a result of the project, all local stores had CCTV and new auditable secure door access systems installed. Couriers had been provided with radios and the drugs, firearm and disposal policies had been revised.

We were advised that the Force had requested a further audit be conducted by TIAA in December 2019, to review the new processes in the stores. Unfortunately, during the audit, 96 out of the 100 selected property items were not in the stores but were still listed on the IT system as being located there. However, this was purely as a result of an administrative error, as the localised stores were largely empty as the property had been transferred to a new storage location in Bettws. The issue had occurred during the time the audit took place, as the IT system had not been updated at that point in time, 87 of the 96 items have now been accounted for. The 9 remaining items could not be located, as there was insufficient information held or the officer in the case had left the Force; the items were risk assessed and deemed of low risk and not considered a risk to any prosecution cases.

The local stores had been improved and access to consumables had been addressed; signage had been erected; local Inspectors had been briefed; training was being provided regularly on the new processes; and there was a rolling audit conducted within the central store in Bettws. A review of long- term storage was also being conducted.

A new evidential property module had been designed within the Niche policing system in alignment with SWP. Standard operating procedures and a computer-based training package had been developed. The system would go live following the resolution of network and bar code printing issues. We asked if there would be sufficient uptake in training for the new Niche Module, particularly as there had been an issue with officers updating the initial IT property system.

The ACC informed us that training on the new IT system was delivered in 2013 and refresher training following that. It had become evident that there was an issue with user competence as opposed to the amount of training provided and there was a need for culture change. We were assured there was a thorough computer-based training delivery programme in place for the new Niche module, supported by supplementary policies and procedures.

A Memorandum of Understanding (MOU) had been developed with Sussex Police, whereby certain stored items were sold legitimately on their ebay shop. Over £10,000 of income was generated between June and August 2020, by disposing of property on the site.

We were advised that the number of property items had increased significantly to 66,189 in September 2020, when compared to 48,844 in April 2018.

A scoping exercise had been undertaken in the Bettws storage area and it had been agreed that the main store for long term storage would now be in Tredegar, as it would enable increased capacity if required.

Our attention was drawn to the key priority recommendations in the audit and we were assured that the actions taken or planned would ensure that the issue did not re-occur again.

Having conducted the relevant research, Gwent were basing their evidential storage staffing model on Dorset Police's, as their staffing model appeared to be comparable to Gwent, in that the Forces were similar in size and in the amount of evidential storage held in their stores. It was seen to be very efficient and could result in savings due to time saved by front line officers. A business case was being drafted based on the staffing model for submission to the Service Improvement Board (SIB) in January 2021, or earlier if possible. JAC requested that their concerns and support for additional resources be included in the business case. The CFO agreed to raise JAC's concerns at the SIB.

As the planned programme of work was from October 2020 to March 2021, we asked if there would be an interim audit near the end of the 2020 and if the follow-up internal audit could be moved to when the programme had been completed.

Action

TIAA advised us that their audit opinion had indicated that work was being undertaken to resolve issues within the property store. The audit was planned for the 14th December and this could be re-scheduled to a slightly later date. However, an audit of the work that had been completed could be conducted at that time. We agreed that due to the changes in the policies and the processes, the audit scope required amending to include the changes.

**ACOR/
HoCJD/
TIAA**

We queried why the last review had received a 'limited assurance' rating, as opposed to a 'no assurance' rating. TIAA informed us that they were aware that action was being undertaken and should the issues remain unresolved during the follow-up audit, a 'no assurance' rating would be issued.

We asked for the expected project completion date and the HoCJD confirmed that it should be early in the new financial year.

We queried if any prosecution cases had been impacted due to the Force not being able to obtain evidential property. We were assured there had not and the number of civil cases recorded for loss of evidential property was very low.

We thanked all involved for their comprehensive presentation, as it had addressed many of the questions raised prior to the meeting. We were assured that the appropriate action was being taken.

Mr D Broadway, Mr I Roberts and Mr C Morgan left the meeting at 12:28

We took a 10 minute comfort break at 12:30

HEADQUARTERS - VERBAL UPDATE

8. We received a verbal update on the Headquarters project build.

The ACOR informed us that he was receiving weekly updates from the building contractor and the monthly Headquarters (HQ) Project Boards were continuing. Due to the impact of Covid19, the project had slipped by 6 weeks but was still on budget and on target for completion by 25th October 2021. Work was ongoing in relation to design planning and the transportation of staff to the building. The moving of ICT services posed a significant challenge due to the sequencing of various services.

We reopened the meeting to the public and the press

JOINT AUDIT COMMITTEE ANNUAL REPORT

Action

9. We received and noted the final Joint Audit Committee Annual Report. We asked that the following amendments be made:

Page 3, Paragraph 3, remove 'of' from the sentence 'The JAC comprises of'.

HoAC

Page 4, Paragraph 4 to be amended to reflect that the report had not been approved at the June or July 2020 meetings and for the report to be amended throughout where dates had changed.

HoAC

An additional paragraph to be included above paragraph 4, regarding concerns raised by JAC in relation to the delay in the Statement of Accounts due to the impact of the McCloud judgement.

CFO

We agreed to approve the final Joint Audit Committee Annual Report providing the amendments were made and the report was circulated to JAC members for signoff.

HoAC

Ms H Williams, TIAA left meeting at 12:50pm

MINUTES

10. The minutes of the meeting held on 11th June 2020 were received and confirmed.

We asked for an update on the improvements in the information security arrangements. The ACOR advised us that a spreadsheet had been circulated consisting of the individual activities identified for action by the SRS audit. Each of those activities demonstrated that the Force had made significant improvements to address them. There were a few outstanding actions, but they should be completed by December 2020.

ACTIONS

11. We received and noted the actions from the meeting held on 11th June 2020.

Action 7, 11th June. We agreed to reopen this action until a decision had been made at the Finance Governance Board in Autumn, regarding TCBC and SRS Management attending annual JAC meetings to present their annual reports.

GO

EXCLUSION OF THE PRESS AND PUBLIC

12. The information contained in the report(s) below has been subjected to the requirements of the Freedom of Information Act 2000, Data Protection Act 2018 and the Office of the Police and Crime Commissioner for

Gwent's public interest test and was deemed to be exempt from publication under section 7.

Action

Mr N Stephens, Assistant Chief Officer of Resources left the meeting at 1.00pm.

JOINT RISK REGISTER

13. We received the Joint Risk Register.

Our attention was drawn to the Storage of Evidence which had been assessed as a critical risk. Work had been on-going regarding the location in which the evidence was stored and other locations were being considered. There was also a risk in relation to human tissue storage. Therefore, the risk was to be separated on the register.

The HoSPC provided updates on the high risks.

Following the Cabinet Office's national risk assessment on the impact of Brexit on policing, a Force Gold Group would be established to review the risks. The Force had bid for resource funding from the Welsh Government and were awaiting the outcome of the bidding process. We asked when the national risk assessment was expected to be completed, as Brexit was nearing completion and received confirmation that no fixed date had been specified at this time.

The issue regarding long-term Pathology service provision remained unresolved, however, a secure interim measure had been put in place to ensure the service was not lost. A task and finish group had been established to assist in the resolution of the issue. We asked if the references to Universities and University hospitals could be clarified within the Pathology service provision risk narrative.

HoSPC

The pilot for the new digital mechanism for sharing information with the Crown Prosecution Services was to be rolled out in October 2020, supported by a training and communications plan.

A lease for operational training facilities at Terram, Mamhilad had been signed this week, which would enable the required operational training to take place.

The Force had made progress in identifying staff members who were working without monitoring software having been downloaded on their mobile Samsung devices and contact had been made with those individuals to address the issue.

The issue of ongoing service provision and development of the Sexual Assault Referral Centres (SARCs) ISO accreditation was discussed at the Scrutiny Executive Board on the 6th October 2020. It was agreed that the risk would be amended to a critical risk, as there was a deadline by which any SARC used by Gwent Police would need to have met the

accreditation requirements, or evidence may become inadmissible in court proceedings.

Action

We queried why the storage of evidence was rated as a high risk and not on an issues register, as mitigating action had been taken and a programme of work was in place. We were advised that the Force did not have an issues register as yet as it was still under consideration, but the risk would be lowered on the register by the following meeting.

We asked if the target completion dates could be included in the evidential storage non-compliance risk as indicated within the Evidential Property Presentation in time for the next meeting.

**HoSPC/
HoCJD**

We queried if the Finance Team restructure had been completed, as the risk report indicated that it hadn't. The CFO informed us the restructuring business case had been approved by the SIB and the Force were in the process of appointing to roles, therefore the risk would be removed off the register by the following meeting.

We reopened the meeting to the public and the press.

INTERNAL AUDIT (TIAA)

14. We received the Update Report from internal audit.

The following audits had been finalised since the last meeting:

- Estate Strategy – (Reasonable Assurance)
- Collaborative Review – Vetting – (Substantial Assurance)

The format of the report had changed slightly to assess root cause indicators, in order to identify common themes from the audit findings. Over time this would provide a good indication of any themes.

We queried how themes such as resource or capacity would be evidenced. TIAA advised us that this type of issue would be evidenced under finance constraints.

The audit plan was progressing as planned, several draft audit reports had been issued for review and TIAA would look to reschedule the Evidential Property Storage review.

The Collaborative Project Review (Office 365) had been delayed, as Dyfed Powys had withdrawn from the review; the report was nearing completion.

We asked if Management would be undertaking a review of the lessons learnt during Covid19 to identify what processes had worked well and what had not.

The CFO advised us that the transitional process to agile working prior Covid19 had stood the Force and OPCC in good stead, as existing systems and processes were largely electronic. Although, the impact had accelerated the move to full agile working, the relevant governance processes and scrutiny were maintained. Meetings were taking place online; improvements such as the electronic timesheet had been implemented; there was less paper usage; and there was increased use of online systems including the No Purchase Order, No Pay system. The tangible savings resulting from the changes would be reflected in the Quarter Two Finance report.

Following a review of the Finance Team's wellbeing, early indications were that employees felt there were no real concerns resulting from the change in the working environment. We were assured that many of the changes brought about by Covid19 would be maintained following it.

We asked what support TIAA were providing in order to help improve the overall Governance Control Framework to ensure it remained effective.

TIAA informed us that additional questions had been incorporated as part of the resilience section of their audit, to identify what changes had been implemented in response to Covid19. The questions sought if there were temporary or permanent workarounds and if the workarounds were more effective than the previous processes, should they be permanently adopted. In the majority of cases, the new processes were proving to be more effective and efficient.

MEDIUM TERM FINANCIAL PLAN AND BUDGET SETTING TIMETABLE

15. We received the Medium-Term Financial Plan Presentation and Budget setting timetable.

The CFO provided a comprehensive presentation and talked us through the impact of Covid19 on Council Tax and Grant Funding from the Home Office.

Due to the economic downturn resulting from Covid19, it was unclear if there was going to be a one or three year Comprehensive Spending Review (CSR).

As the Autumn budget had been cancelled, early indications of a provisional settlement for the Force could not be obtained.

The OPCC and Force were continuously lobbying the Home Office (HO) to fund the remaining Covid19 costs, as the HO had already agreed to fund part of the costs for medical grade PPE.

The collection of precept and therefore the tax base was expected to drop by at least 1%, due to the economic impact of Covid19. Therefore, Welsh Forces were lobbying the Welsh Government to ensure the way reduction

in precept was treated in Wales was on parity with England. In England any surplus/deficit on precept collected was shared between the Local Authority (LA) and the Police and Crime Commissioner, whereas in Wales the LA retained any surplus above the budgeted tax base or managed any losses below that base. It was likely therefore, that the LAs would adjust the budgeted tax base to lessen the risk on their own organisations.

Action

The CFO advised us that he had met with his counterparts in Wales and confirmed that other Forces' MTFP assumptions were consistent with that of Gwent. Due to the considerable variables at play at this stage, forecasting beyond 2021/22 was impractical.

We were advised that a joint CSR bid submission had been produced by the National Police Chiefs Council and Association of Police and Crime Commissioners, to evidence national and local policing pressures. It was crucial to capture and articulate this information to the Treasury (via the Home Office), as the CSR would set Government Departmental budgets up to March 2024. The CFO confirmed that the CSR was expected to conclude in early Autumn 2020, following which OPCCs and Forces would begin to obtain clarity on the likely 2021/22 funding levels.

We asked how the National ICT transformation programmes within the presentation were to be reviewed. The CFO advised us that he was a member of the National Technology Reallocation Scrutiny Group and the Charges Oversight Board who were responsible for scrutinising the funding and delivery of the National ICT transformation programmes and determining Value for Money for the PCC's budgets.

The CFO agreed to circulate the revised CSR presentation.

GO

We noted the Budget Setting Timetable and the CFO advised us that the MTFP would be updated by December 2020.

JOINT AUDIT COMMITTEE SELF ASSESSMENT ACTION PLAN

16. We received the Joint Audit Committee Self-Assessment Action Plan.

Following a discussion on the Joint Audit Committee Self-Assessment Action Plan, we agreed that JAC Members would submit their comments on the Action Plan to the Chair for decision on the actions to be undertaken and for the completed action plan to be forwarded to the HoAC.

**JAC
Member
s/Chair**

VERBAL FORCE MANAGEMENT STATEMENT UPDATE

17. We received a verbal update on the Force Management Statement.

The draft Force Management Statement had been collated and was in the process of being reviewed by the Strategic Lead Officers. Further

assessment by the Chief Officer Team would follow, prior to being submitted to the HMICFRS.

Action

ANY OTHER BUSINESS

18. The proposed meeting dates for the JAC were circulated prior to the meeting to JAC Members for consideration. We agreed for Members to confirm their attendance by email to the Governance Officer, if they had not already done so.

**JAC
member
s**

TO IDENTIFY ANY RISKS ARISING FROM THIS MEETING

19. The impact of Brexit on policing was suggested, due to the timeliness of the national risk assessment, as there was limited time for Forces to respond to the outcome of the assessment.

ACOR

The meeting concluded at 13.56