



The Police and Crime Commissioner and Chief Constable for Gwent Police

Assurance Review of Contract Management

May 2025

Final

Executive Summary

OVERALL ASSESSMENT







ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

There is a risk that if the contract is not managed effectively, then this may lead to a shortage of items and persons in Custody will not have access to a blanket.


SCOPE

The review considered the effectiveness of the contract management arrangements in relation to the Laundry contract. This included consideration of financial management and administration, contractor performance, quality and monitoring of delivery.

KEY STRATEGIC FINDINGS

-  The process for recording laundry collections has broken down and no documentation being completed by Gwent Police at the point of collection or receipt of delivery from the contractor.
-  Laundry deliveries need to be recorded on the finance system as Goods Received to enable matching of invoices for payment.
-  Procedure notes on the administration of the laundry services by Custody need to be developed and communicated to Custody and other relevant staff.
-  Contract management processes are not in place at Gwent Police. The first contract management meeting since the start of the contract in April 2024 was arranged by the newly appointed Custody Contract Manager for South Wales Police and took place in March 2025.

GOOD PRACTICE IDENTIFIED

-  Detailed records of the tender scoring process are maintained showing the individual and consolidated scoring from the appointment panel with narrative justifications.

ACTION POINTS

Urgent	Important	Routine	Operational
1	6	1	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	<p>The process for tracking collections through the completion of collection notes has broken down, and no paperwork is being completed to evidence items provided to the contractors, Elis. It is subsequently not possible to match delivery notes provided by Elis to collection notes in order to identify or follow up on any discrepancies.</p> <p>This failure to record collection has contributed to a shortage of blankets on at least one occasion, when additional blankets were temporarily borrowed from South Wales Police to address the shortage. However, discussion with officers notes that stock management practices have been instigated more recently.</p> <p>Where there are weaknesses in recording of blankets held and sent for cleaning, there is a risk that the Force cannot provide blankets to individuals held in Custody overnight due to shortages.</p>	Collection notes be completed in all instances, either physically or digitally.	1	<i>Recommendation accepted and necessary changes will be made to improve this process.</i>	13/07/25	Inspector Richard Dawe

PRIORITY GRADINGS

1	URGENT	Fundamental control issue on which action should be taken immediately.
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2	IMPORTANT	Control issue on which action should be taken at the earliest opportunity.
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3	ROUTINE	Control issue on which action should be taken.
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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	<p>Invoices received from Elis UK are matched against a standing purchase order and approved for payment on behalf of Custody. The standing purchase order is issued for £6,000 with quantity 1; the value of the purchase order is equivalent to approximately three months of services.</p> <p>On receipt of invoices, the person who raises the standing purchase order on behalf of custody marks invoices as "Goods Received" by matching them against the Purchase Order, but Custody do not record Goods Received on the finance system when laundry deliveries are made.</p> <p>There is a risk that Elis UK are overcharging Gwent Police and invoicing for items in excess of those laundered during the period.</p>	Laundry deliveries be recorded on the finance system as Goods Received. Invoices be matched against Good Received prior to approval for payment.	2	<i>Inspector Dawe will liaise with Finance colleagues to set up a process so that this recommendation can be achieved.</i>	13/09/25	<i>Inspector Richard Dawe</i>
3	Directed	<p>Delivery notes provided by Elis are not being reconciled to collection notes to identify discrepancies or verify the accuracy of charges.</p> <p>There is a risk that items are not returned promptly, and that the services invoices do not match services delivered.</p>	Reconciliations between collection and delivery notes be performed.	2	<i>Inspector Dawe will implement a process with Custody staff to ensure reconciliations between collections and delivery notes are performed.</i>	13/09/25	<i>Inspector Richard Dawe</i>

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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
4	Directed	There are no procedure notes in place for the administration of the laundry services by Custody, the preparation of items for collection, the completion and recording of collection and delivery notes, or the matching of deliveries to collections. There is a risk that the contract is not administered in line with the specifications leading to unexpected shortages or loss of items.	Procedure notes on the administration of the laundry services by Custody be developed and communicated to Custody and other relevant staff.	2	<i>Inspector Dawe will implement a procedure on administration of the laundry services and communicate this to Custody staff.</i>	13/09/25	<i>Inspector Richard Dawe</i>
5	Directed	Following a change in Chief Inspector responsible for Custody, oversight of the systems in place for recording and monitoring collections and deliveries had ceased, and engagement with the processes was lost. Appropriate handover procedures were not in place to ensure continuity following changes in leadership.	Handover processes be established to ensure the resilience of controls following changes in leadership in Custody.	2	<i>Handover processes are in place within the organisation; however, this was a unique situation where there was a substantial gap between the existing CI leaving the dept and the new CI starting in post.</i>	Complete	<i>CI Morgan</i>
7	Delivery	The terms of the contract stipulate that the contractor must meet Key Performance Indicators and report on their performance. The contractor has not met this requirement since the start of the contract.	Processes be established for the regular receipt of key performance indicators and performance reports from the laundry contract provider.	2	<i>Process to establish receipt of KPI's and performance reports from the contract provider will be implemented.</i>	13/09/25	<i>Inspector Richard Dawe</i>

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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
8	Delivery	A Custody Contract Manager has been appointed by South Wales Police which led to the first contract management meeting with the contractor on 3 rd March 2025 with actions in place to address current issues including oversight of performance against key performance indicators and performance reporting. Through discussion with the Head of Commercial Services, Procurement Manager, and Procurement Officer it was understood that the Custody Contract Manager Position could be widened to be a joint position between Gwent Police and South Wales Police.	An evaluation be undertaken of the benefits of Gwent Police jointly funding the Custody Contract Manager position with South Wales Police.	2	<i>The recommendation would be supported by Gwent Custody services, however, the financial impact on the Force needs to be fully assessed. Procurement is leading on this at present.</i>	13/09/25	Sian Gunner
6	Directed	The Contract Management Manual for the laundry contract is out of date and includes the incorrect name and contact for the Gwent Police Contract Manager.	The Contract Manual be reviewed and updated with the correct names and contact details.	3	<i>Arrangements will be made for the manual to be updated with the correct details.</i>	13/07/25	Inspector Richard Dawe.

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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No Operational Effectiveness Matter recommendations are made.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework	There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	1, 2, 3, 4, 5, & 6	-
RM	Risk Mitigation	The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance	Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	-	-

Other Findings



The Laundry Services contract for Custody is a collaborative contract tendered for the three forces Gwent Police, South Wales Police, Dyfed-Powys Police and appointed to the provider Elis UK. The contract was most recently retendered in January 2024 and awarded from 1st April 2024. Elis UK were the incumbent contractor, and the new contract was awarded for three years with the option to extend for an additional year.



A walkthrough of the tender process was performed with the Procurement Officer which confirmed that the contract was appointed in compliance with the Procurement Strategy and Welsh Government Procurement Regulations.

The tender notice was posted on Sell2Wales on 12th December 2023 with the conditions for opening of tenders dated 15th January 2024. All tender documents were available on the eTenders portal. The estimated joint contract value was £185k over three years. Four contractors submitted tenders for the contract and were scored 45% on price, 45% on technical and quality, and 10% on social value and modern slavery.

A panel was appointed with representation from all three forces including an Inspector from Gwent Police, a Contract Services Coordinator from Dyfed-Powys Police, and a Sergeant from South Wales Police. Scoring matrices from each panel member were reviewed during the audit, together with the consensus evaluation sheet and final evaluation scoring matrix. The documents showed evidence of appropriate discussion to reach consensus.

Elis UK scored highest overall on price and technical and quality and achieved an overall score of 89%. The notification letters following the evaluation process were seen during the review. A signed copy of the contract was seen during the review and confirmed that it had been signed by the contractors and on behalf of the Commissioners for all three forces.

Other Findings



The contract is priced per laundered item, and an itemised pricing schedule is included in the contract. Invoices received from Elis UK are matched against a standing purchase order and approved for payment on behalf of Custody. The standing purchase order is issued for £6,000 with quantity 1, which is the equivalent of approximately three months of services. On receipt of invoices, the person who raises the standing purchase order on behalf of custody marks invoices as “Goods Received” by matching them against the Purchase Order, but Custody do not record Goods Received on the finance system when laundry deliveries are made. There is a risk that Elis UK are overcharging Gwent Police and invoicing for items in excess of those laundered during the period. The total spend for Gwent Police from 01/06/2024 to 28/02/2025 was approximately £9,933.

A recommendation was made record deliveries as Goods Received on the finance system so that invoices can be matched prior to approval for payment. **(Recommendation 1 refers).**



Laundry is placed into hampers by the cleaners. According to the contract specifications, the contractor is responsible for providing a collection/delivery book with duplicating forms for the Force to complete and include with the laundry hampers for collection. The contractor must then include a delivery form when clean laundry is delivered to confirm the items returned.

The Chief Inspector responsible for Custody at the time of the audit stated that collection notes were not being completed, and the Chief Inspector who took responsibility for Custody in April 2025 confirmed that process for tracking collections through the completion of collection notes had broken down, and no paperwork is currently being recorded at the point of collection and receipt. It is therefore not possible to match delivery notes provided by Elis to collection notes to identify or follow up on any discrepancies.

This has contributed to a shortage of blankets on at least one occasion, with additional blankets needing to be temporarily borrowed from South Wales Police to address the shortage. Action has since been taken to address this risk, including additional supplies were obtained following the shortage and boxes of spares are now in place to prevent this from reoccurring.

Recommendations have been made to complete collection notes with regular reconciliations performed between collection and delivery notes. **(Recommendations 2 and 3 refer).**



There are no procedure notes in place for the administration of the laundry services by Custody, the preparation of items for collection, the completion and recording of collection and delivery notes, the matching of deliveries to collections, or the monitoring of stock levels. There is a risk that the contract is not administered in line with the specifications leading to unexpected shortages or loss of items. **(Recommendation 4 refers).**



Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	Partially in place	7	-
S	Sustainability	The impact on the organisation's sustainability agenda has been considered.	In place	-	-
R	Resilience	Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	Partially in place	8	-

Other Findings



Key Performance Indicators (KPIs) were included in the new contract with Elis UK to address underperformance issues in the past. Elis have not reported on performance against KPIs in line with the contract, however, and the Procurement Officer at Gwent Police has not had the capacity to chase for these reports. A recommendation was made to establish contract management processes within Custody. **(Recommendation 7 refers).**

A new Custody Contract Manager has been appointed by South Wales Police, and they arranged a meeting with Elis on 3rd March 2025 to address performance issues which was attended by the Custody Inspector and Procurement Officer from Gwent Police. Review of the meeting notes confirmed that on at least one occasion Gwent Police have needed to borrow blankets from South Wales Police due to a shortage. The meeting Action Log showed that Elis would provide further information on the use of a portal to record collection and delivery amounts; would provide further details around stitching a logo or barcode onto blankets; and would examine Elis data and check for any further useful information to share at the meeting including reporting on KPIs.

It was understood that Procurement staff at Gwent Police do not have capacity to actively manage the laundry contract and identified the possibility of jointly funding the Custody Contract Manager so that their responsibility could cover Gwent Police as well as South Wales Police. This would mitigate any resilience issues arising from changes in leadership in Custody.

A recommendation was made to evaluate the possibility of jointly funding the Custody Contract Manager Position with South Wales Police to ensure that the contract is actively managed from Custody. **(Recommendation 8 refers).**



There have been no changes or variations to the laundry contract.



Social Value including environmental sustainability is included in all contracts in line with procurement legislation and Gwent Police's Procurement Strategy. Social Value represents 10% of tender scoring during the procurement process.

Scope and Limitations of the Review

- 1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

- 2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. 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. 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.

Effectiveness of Arrangements

- 3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

- 4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

- 5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

- 6. The table below sets out the history of this report:

Stage	Issued	Response Received
Audit Planning Memorandum:	21 st October 2024	21 st October 2024
Exit Meeting Date	25 th April 2025	
Draft Report:	6 th May 2025	13 th May 2025
Final Report:	13 th May 2025	