



Internal Audit

FINAL

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

Summary Internal Controls Assurance (SICA) Report

2021/22

August 2021

Summary Internal Controls Assurance

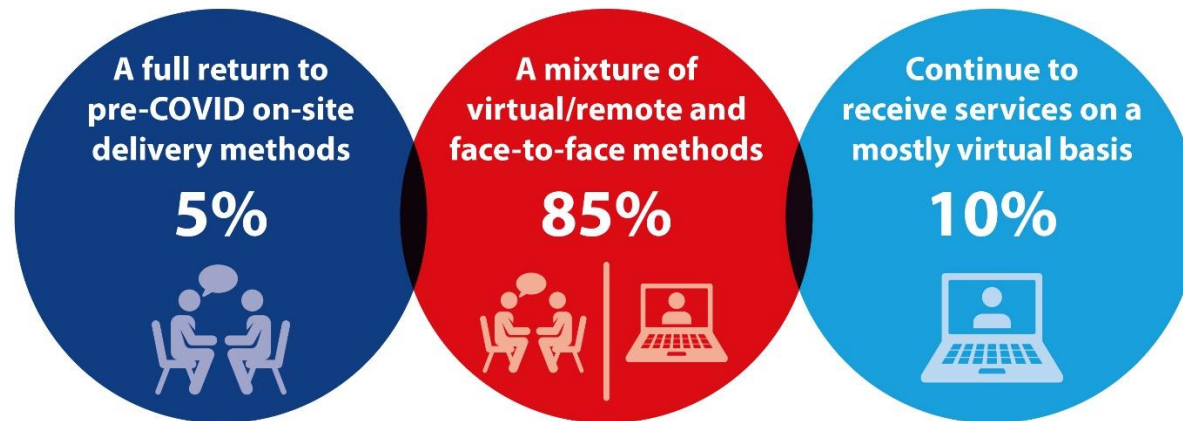
Introduction

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 25th August 2021.

Emerging Governance, Risk and Internal Control Related Issues

2. With the easing of restrictions come the decisions by many businesses as to how they are going to operate in a post-lockdown world. There is a balance between the creativity and collaboration that arises from being in the same workplace and the benefits that arise from remote working and embracing of technology. Our approach is largely driven by how our clients are going to operate so we decided to ask their thoughts as part of our annual client survey. The majority of respondents said that they would prefer a mixture of virtual/remote and face-to-face provision of assurance services in the future. This is largely what we expected, although we recognise that is likely to vary between sectors.

How our clients would like their organisation's assurance services provided



3. Whichever model is adopted, we will continue to consider the impact on Governance, Risk and Internal Control of any changes to working practices.

Audits completed since the last SICA report to the Joint Audit Committee

4. 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 |
| No reports have been issued as final since the previous report. | | | | | | | | |

5. 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

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

Changes to the Annual Plan 2021/22

7. No changes have been made to the plan in the year to date. Appendix D includes details of the proposed coverage for the current year and 2022/23 – 2023/24 and has been mapped to the Joint Strategic Risk Register to identify whether any audits need to be brought forward or where there are any gaps in future planned coverage. ***The Committee is asked to consider whether any changes are required.***

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 | | | | | No reports have been issued as final since the previous meeting. |
| Risk Mitigation | - | n/a | | | | | |
| Control Compliance | 57% (8) | n/a | | | | | |
| Delivery | | | | | | | |
| Performance Monitoring | 14% (2) | n/a | | | | | |
| Financial Constraint | 7% (1) | n/a | | | | | |
| Resilience | - | n/a | | | | | |

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 |
|---------------------------------------|
| Public Procurement Update – June 2020 |
| NCSC Device Security Guidance |
| Action Fraud Reporting Service |
| Public Procurement Update – July 2021 |
| Fraud Alert |
| COVID -19 Vaccine Passport Scam |

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.

Executive Summaries and Management Action Plans

The following reports have been completed. Full copies of the reports are available to the Joint Audit Committee.

| Review | Evaluation |
|---|------------|
| No reports have been issued as final since the previous Joint Audit Committee | |

Progress against Annual Plan

| System | Planned Quarter | Current Status | Comments |
|--|-----------------|---|--|
| Business Continuity Recovery Planning | 1 | Draft report issued 16 th July 2021 | |
| Risk Management – Reporting Mechanisms | 1 | Draft report issued 4 th August 2021 | |
| Fleet Management – Single System Electric Vehicles | 1 | Fieldwork ongoing | |
| Local Policing – Property and Cash – Part 2 (carried forward from 2020/21) | 1 | | Deferred from Q1 planned date to be confirmed but is likely to be 15 th December 2021. |
| Service Improvement Board themes | 2 | Fieldwork ongoing | |
| Vetting | 2 | Fieldwork ongoing | |
| Estate Management - Delivery | 2 | Planned 31 st August 2021 | |
| Follow Up Quarter 2 | 2 | Planned 6 th September 2021 | |
| HR Management – Absence Management | 3 | Planned 11 th October 2021 | |
| HR Management – Recruitment and Training* | 3 | Planned 25 th October 2021 | |
| Follow up – Quarter 4 | 4 | Planned 4 th January 2022 | |
| Collaborative Audits | | | |
| Collaborative- Counter Fraud (Anti-Fraud Procurement) | 1 | Delayed to October 2021 | Lead Force – NWP Audit delayed due to time taken to agree area for coverage. The review will focus on expenses and is scheduled to take place in October 2021 |
| Collaborative- Pensions – All Wales Pension Board | 2 | Planned 20 th September – 1 st October 2021 | Lead Force - DPP |
| Collaborative- Safety Camera Partnership | 2 | Planned 6 th September – 21 st September 2021 | Lead Force - DPP |

| System | Planned Quarter | Current Status | Comments |
|--|-----------------|--|--|
| Collaborative- Automatic Number Plate Recognition (ANPR) | 2 | Planned 31 st August – 17 th September 2021 | Lead Force DPP |
| Collaborative- Agile Working | 2 | Fieldwork ongoing | NWP and DPP have deferred to Q4. GWP lead for the Q2 review |
| Collaborative- Electronic Time Management | 2 | Planned 21 st September – 28 th September 2021 | Lead Force - SWP |
| Collaborative- General Ledger | 3 | Planned 11 th October 2021 | Lead Force - GWP |
| Collaborative- Debtors | 3 | Planned 15 th November 2021 | Lead Force - GWP |
| Collaborative- Fixed Assets | 3 | Planned 29 th November 2021 | Lead Force - GWP (GWP and SWP only) |
| Collaborative- Payroll | 3 | Planned 29 th November – 15 th December 2021 | Lead Force - SWP |
| Collaborative- Creditors | 3 | Planned 18 th October to 4 th November 2021 | Lead Force - SWP |
| Collaborative- Budgetary Control | 3 | Planned 3 rd November 2021 | Lead Force - NWP |
| Collaborative- Treasury Management | 3 | Planned 27 th September to 13 th October 2021 | Lead Force - SWP |

KEY:

| | | | | | | | |
|--|-----------------|--|---------------------|--|---------------------|--|---------------------|
| | To be commenced | | Site work commenced | | Draft report issued | | Final report issued |
|--|-----------------|--|---------------------|--|---------------------|--|---------------------|


Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and 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)

| CBN Ref | Subject | Status | TIAA Comments |
|---------|---------------------------------------|--------|--|
| 21020 | Public Procurement Update – June 2020 | | <p>No Action Required</p> <p>This briefing note has been provided for information only.</p> <p>Government Policy Procurement Update June 2021 & PPN05/21</p> |
| 21022 | NCSC Device Security Guidance | | <p>Action Required</p> <p>All organisations are recommended to complete a health check to demonstrate that the holistic management of connected IT devices meet with current best practice. Audit committees and boards are recommended to seek assurance by either internal checks, or independent audit and review.</p> |
| 21023 | Action Fraud Reporting Service | | <p>For Information Only</p> <p>Boards and Audit Committees are advised to note that Action Fraud continues to be the UK fraud reporting service. Plans are underway for a replacement system to be implemented in April 2022</p> |
| 21024 | Public Procurement Update – July 2021 | | <p>No Action Required</p> <p>This briefing note has been provided for information only.</p> <p>Procurement Policy Note 07/21: update on legal and policy requirements to publish procurement information</p> |

Summary of recent Fraud Alerts

| Ref | Subject | Status | TIAA Comments |
|-----------|---------------------------------|--|--|
| June 2021 | COVID -19 Vaccine Passport Scam |  | <p>Action Required</p> <p>The alert provides information and advice about fraud and economic crime during the pandemic and the risks associated with it. If you have fallen victim to fraud you should report it to Action Fraud by calling 0300 123 2040, or visit: https:// reporting.actionfraud.police.uk/ If you have given your bank details and think you may have lost money, contact your bank immediately.</p> |

Review of planned audits 2021-2024

The table below sets out the approved plan for 2021/22 and the indicative areas for coverage in 2022/23- 2023/24. It has been updated to reflect the links to the Joint Strategic Risk register as at June 2021 with a view to identifying potential gaps in future coverage or areas that require bringing forward to the 2021/22 plan.

| Review Area | Link to Risk Register | 2021/22 | 2022/23 | 2023/24 |
|--|---|---------|---------|---------|
| Governance and Risk Management | | | | |
| Business Continuity Recovery Planning | Disaster Recovery Service Delivery (note TCBC would focus on this) | 10 | | |
| Data Quality | Evidential Storage Recording of Crime following third party disclosures at MARAC Loss of PNC data National Crime Recording Standards – Non Compliance MOPI Compliance | | 10 | |
| Strategic Planning | | | | 8 |
| Risk Management | ALL | 10 | 10 | 10 |
| ICT reviews are carried out by Torfaen County Borough Council | | | | |
| Finance | | | | |
| Budgetary Control | | * | 5 | 5 |
| General Ledger | | * | 5 | 5 |
| Payroll | | * | 6 | 6 |
| Creditors | | * | 6 | 6 |
| Debtors | | * | 6 | 6 |
| Pensions - All Wales Pension Board | | * | | |
| Pensions | | * | | 5 |
| Expenses and Additional Payments | | | 5 | |

| Review Area | Link to Risk Register | 2021/22 | 2022/23 | 2023/24 |
|--|---|---------|---------|---------|
| Treasury Management | | * | | 5 |
| Fixed Assets | | * | | 5 |
| Capital Programme | | | 4 | |
| Counter-Fraud | | * | 7 | 7 |
| Operational Review | | | | |
| Estates Management - Delivery | | 7 | 7 | |
| Estates Management - Strategy | | | | 7 |
| Fleet Management – Single system Electric Vehicles * | | 5 | | |
| Fleet Management – Repairs and Maintenance | | | 5 | |
| Fleet Management – Fuel Usage | | | | 5 |
| Contract Management | | * | 6 | 6 |
| Local Policing – Property and Cash (note 6 days carried forward from 2020/21 to 2021/22) | Evidential Storage - Volume Evidential Storage – Bettws Property Store | 6 | 6 | 6 |
| Vetting | | 6 | | |
| Service Improvement Board themes | | 10 | 10 | 10 |
| Organisation Review | | | | |
| HR Management – Recruitment and Training | BREXIT – Right to work and Remain in the UK | 7 | | |
| HR Management – Absence Management | Covid-19 Pandemic Absence and Wellbeing Management | 7 | | |
| HR Management – Strategy | BREXIT – Right to work and Remain in the UK | | | 7 |
| Collaborative Reviews | | | | |
| Budgetary Control | | 5 | | |
| General Ledger | | 5 | | |
| Payroll | | 5 | | |
| Creditors | | 5 | | |

| Review Area | Link to Risk Register | 2021/22 | 2022/23 | 2023/24 |
|------------------------------------|----------------------------------|------------|------------|------------|
| Debtors | | 5 | | |
| Counter-Fraud | | 5 | | |
| Treasury Management | | 5 | | |
| All Wales Pension Hub | Police Pensions – McCloud Ruling | 5 | | |
| Safety Camera Partnership | | 5 | | |
| Automatic Number Plate Recognition | | 5 | | |
| Agile Working | | 5 | | |
| Fixed Assets | | 5 | | |
| Electronic Time Management | | 5 | | |
| Management and Planning | | | | |
| Follow Up | | 10 | 10 | 10 |
| Liaison with Audit Wales | | 2 | 2 | 2 |
| Contingency | | - | 2 | 2 |
| Annual Planning | | 4 | 4 | 4 |
| Annual Report | | 4 | 4 | 4 |
| Audit Management | | 15 | 15 | 15 |
| Total Days | | 168 | 135 | 146 |

Areas where no current work is planned for consideration in future years:

| Risk | Residual Risk | Area for Coverage |
|--|---------------|---|
| Evidential storage – Human Tissue Retention – POFA Compliance | 12 | Biometric Data – Protection of Freedoms Act (POFA) 2012 Compliance |
| Loss of Home Office Pathologists and Paediatric Pathologists | 12 | Possible review of the new business model (value for money, performance management) |
| Voluntary Attendance - Biometrics | 9 | Risk is being closed – no work suggested. |
| Children held in Police Custody | 9 | No work suggested – this is being monitored by HMICFRS |
| Welsh Language Standards Compliance | 12 | Yes – Welsh Language Compliance Has been included in the past but is probably due a review as the arrangements are now more mature |
| ISO Accreditation Forensic Medical Examinations | 6 | Potential to review Quality Management System as a collaborative review |
| Firearms Licensing | 4 | Not reviewed for a considerable period of time – given recent publicity in Plymouth it might be worth considering for a review. |
| Inability to monitor mobile Samsung devices | 4 | This would fall under ICT work not performed by TIAA |
| 24/7 Intelligence / Grainger | 8 | None currently proposed other than as a project via the Service Improvement Board |
| ISO Accreditation Collision & Investigation – risk of non-compliance | 6 | None currently proposed. |
| Emergency Services Network Provision | 6 | This would fall under ICT work not performed by TIAA |
| Sexual Offence Medical Provision | 4 | Potential to review as a collaborative system |
| Storage of Digital Evidence | 3 | None currently planned – would probably fall within TCBC remit. |
| BREXIT | 2 | None proposed. |