

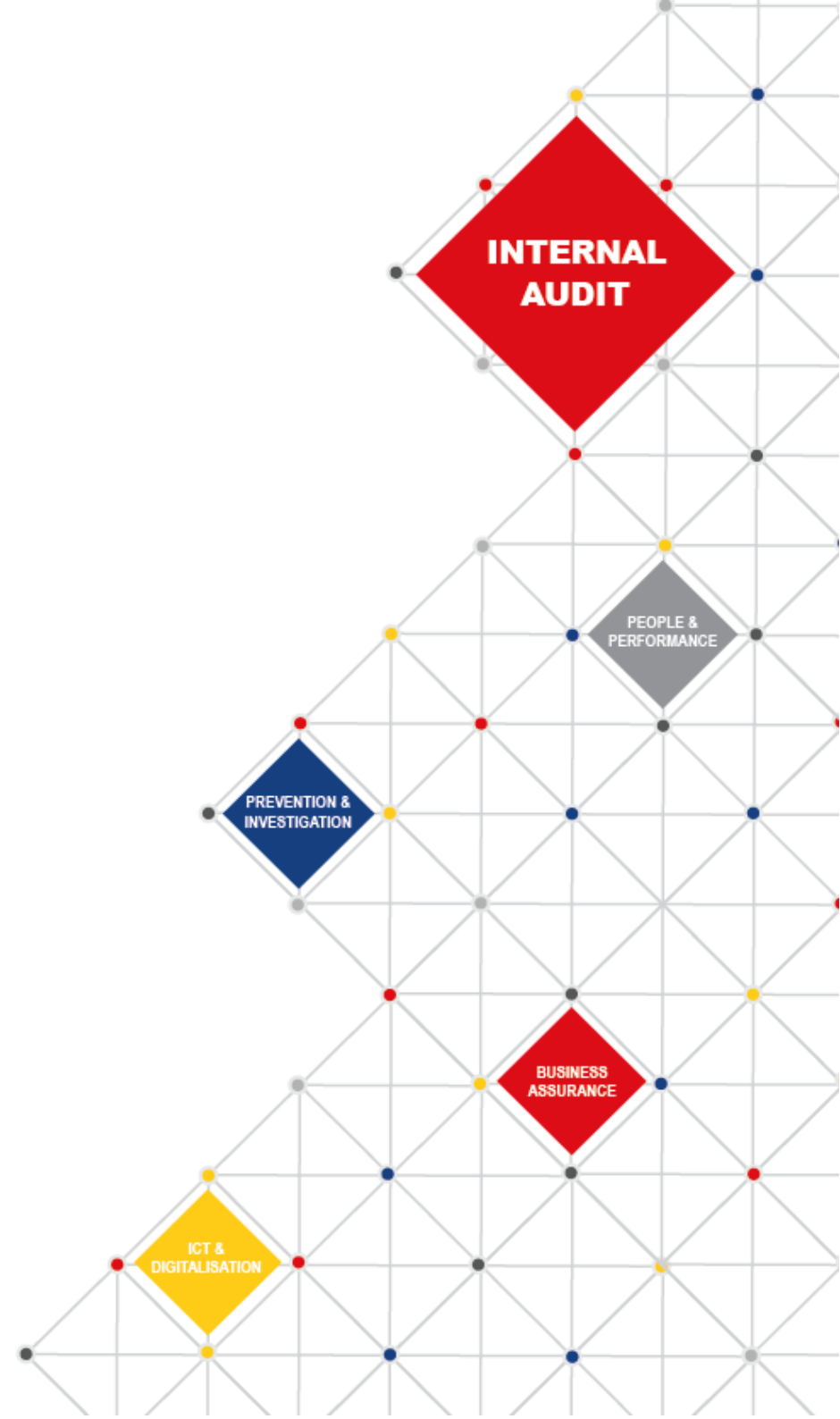


# The Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police

## Annual Internal Audit Plan

**DRAFT**

**2018/19**



# Overview

## Introduction

The Audit Plan for 2018/19 has been developed by carrying out an update audit risk assessment to ensure that the planned coverage for the year is focussed on the key audit risk areas and that the coverage will enable an annual Head of Audit Opinion to be provided in the Annual Report.

## Key Emerging Themes

2018/19 will be a challenging year for Police organisations both in terms of funding and also the pressures on service delivery. We have identified a number of key areas which require internal audit coverage during the year.

- Budget pressures – the continued severe financial pressures will not abate during the year and the quick opportunities for cost savings have largely been taken meaning additional efficiency savings in the year will have to be through innovative working initiatives.
- ICT - Enactment of GDPR – this will have a significant impact on how data is held and protected, including Body worn cameras and Cybercrime – all the indications from 2017/18 is that there will be more sophisticated attempts to disrupt and deny services often for no clear motive.
- Finance – the ongoing pressure of the implementation of the FIRMS project and the introduction of Force Management Statements for all forces from April 2018.
- Collaboration – increasing collaboration throughout Wales and across the public sectors.

## Adequacy of the planned audit coverage

The Audit Plan for 2018/19 provides the level of coverage to enable a head of audit annual opinion to be made on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control as required by the Public Sector Internal Audit Standards (PSIAS).

Figure 1 – 2018/19 Audit planning process



# Internal Audit Plan

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## Audit Strategy Methodology

We adopt a proprietary risk based approach (GUARD) to determining your audit needs each year which includes reviewing your risk register and risk management framework, previous internal audit work for the organisation, the Regulatory Framework and assessment of Gwent Police's, external audit recommendations together with key corporate documentation such as the Police and Crime Plan, Chief Constable's Delivery Plan, Risk Register and financial regulations. The Strategy is based predominantly on our understanding of the inherent risks facing Gwent Police and those within the sector and has been developed with senior management and Committee.

## Risk Prioritisation

Each year an updated risk assessment is carried out to ensure the Audit Strategy remains fully aligned with the key risks facing Gwent Police. The resultant changes for 2018/19 which underpin your Audit Plan is set out at Annex A.

## Audit Strategy and Annual Plan

Following the risk prioritisation review the Audit Strategy has been updated (Annex B) and the Annual Plan (Annex C) sets out the reviews that will be carried out, the planned times and the scopes for each of these reviews.

The Annual Plan will be subject to ongoing review and could change as the risks change for the organisation and will be formally reviewed with senior management and the Joint Audit Committee mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of the Annual Plan includes: research, preparation and issue of terms of reference, production and review of working papers and reports and site work. The Annual Plan has been prepared on the assumption that the expected controls will be in place.

## Audit Remit

The Audit Remit (Annex D) formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within Gwent Police and defines the scope of internal audit activities and ensures compliance with the PSIAS.

## Reporting

**Assignment Reports:** A separate report will be prepared for each review carried out. Each report will be prepared in accordance with the arrangements contained in the Terms of Reference agreed with TIAA and which accord with the requirements of the Public Sector Internal Audit Standards (PSIAS).

**Progress Reports:** Progress reports will be prepared for each Joint Audit Committee meeting. Each report will detail progress achieved to date against the agreed annual plan.

**Annual Report:** An Annual Report will be prepared for each year in accordance with the requirements set out in the Public Sector Internal Audit Standards (PSIAS). The Annual Report will include our opinion of the overall adequacy and effectiveness of Gwent Police's governance, risk management and operational control processes.

**Other Briefings:** During the year Client Briefing Notes, Benchmarking and lessons learned digests will be provided. These are designed to keep the organisation abreast of in-year developments which may impact on the governance, risk and control assurance framework.

## Assurance Mapping

For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks will be provided. The assurance mapping process is set out in Annex E.

## Liaison with the External Auditor

We will liaise with Gwent Police’s External Auditor. Any matters in the areas included in the Annual Plan that are identified by the external auditor in their audit management letters will be included in the scope of the appropriate review.

## Performance

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Area	Performance Measure	Target
Achievement of the plan	Completion of planned audits.	100%
	Audits completed in time allocation.	100%
Reports Issued	Draft report issued within 10 working days of exit meeting.	95%
	Final report issued within 10 working days of receipt of responses.	95%
Professional Standards	Compliance with PSIAS Standards.	100%

## Conflict of Interest

We are not aware of any conflicts of interest and should any arise we will manage them in line with PSIAS requirements, the Gwent Police’s requirements and TIAA’s internal policies.

## Limitations and Responsibility

Substantive testing will only be carried out where a review assesses the internal controls to be providing ‘limited’ or ‘no’ assurance with the prior approval of Gwent Police and additional time will be required to carry out such testing. Gwent Police is responsible for taking appropriate action to establish whether any loss or impropriety has arisen as a result of the control weaknesses.

Internal controls can only provide reasonable and not absolute assurance against misstatement or loss. The limitations on assurance include the possibility of one or

more of the following situations, control activities being circumvented by the collusion of two or more persons, human error, or the overriding of controls by management. Additionally, no assurance can be provided that the internal controls will continue to operate effectively in future periods or that the controls will be adequate to mitigate all significant risks that may arise in future.

The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.

Reliance will be placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

The matters raised in the audit reports will be only those that come to the attention of the auditor during the course of the internal audit reviews and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. The audit reports are prepared solely for management’s use and are not prepared for any other purpose.

## Joint Audit Committee Responsibility

It is the responsibility of the Joint Audit Committee to determine that the number of audit days to be provided and the planned audit coverage are sufficient to meet the Committee’s requirements and the areas selected for review are appropriate to provide assurance against the key risks within the organisation.

## Release of Report

The table below sets out the history of this plan.

Date plan issued:	December 2017
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## Annex A: GUARD Risk Analysis

### Changes for 2018/19

In addition to the core audit work required to underpin the Head of Audit Annual Opinion (governance, risk management, core financial systems, network controls, follow up etc.) a GUARD assessment of key risks has been completed, to identify those that are most relevant to the organisation and where internal audit assurance would be best focussed. These are summarised below.

Area	Commentary	GUARD Risk Grade	Internal Risk Grade	Included in 2018/19 Audit Plan
<b>Budget Pressure</b>				
Deep dive review of payments	In addition to data analytical identification of overpayments the review will also consider potential exposure arising from the changes to IR35 and the Criminal Finance Act have significant reputational implications as well as financial penalties for non-compliance. Cost comparisons for a basket of purchases will also be carried out as part of the review.	Medium	Medium	✓
Force Management Statements	The introduction of Force Management Statements and the ongoing FIRMS implementation will impact on the finance team and the financial computer systems and processes.	Medium	Medium	✓
<b>ICT</b>				
GDPR	This becomes effective in May 2018 and will have a significant impact on how data is held and protected. There are significant reputational implications as well as financial penalties for non-compliance	High	High	✓
Cybercrime	Cybercrime – all the indications from 2017/18 is that there will be more sophisticated attempts to disrupt and deny services often for no clear motive	High	High	
Body Worn Cameras	The impact of the Force's ability to comply with requirements of the EU GDPR legislation needs to be considered.	Low	High	
<b>Regulatory/Legislative</b>				
Modern Slavery Act	An important area to ensure compliance with the requirements of the act.	Medium	Low	
<b>Other</b>				
Limited or no assurance in previous year	A compliance review of the vetting processes will be carried to ensure the recommendations have been fully implemented following a limited assurance assessment in 2017/18	High	Medium	✓

### Key to Grades

High	Medium	Low
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## Annex B: Rolling Strategic Plan

Review Area	Type	2018/19	2019/20	2020/21
<b>Governance and Risk Management</b>				
Assurance Framework	Appraisal	10		
Performance Management	Assurance		10	
Strategic Planning	Assurance			10
Business Continuity Planning	Assurance	10		
Risk Management – Mitigating Controls	Compliance		10	10
<b>Finance</b>				
Budgetary Control	Assurance	5	5	5
Treasury Management	Assurance		5	
General Ledger	Assurance	5	5	5
Payroll	Assurance	5	5	5
Creditors	Assurance	5	5	5
Debtors	Assurance	4	4	4
Fixed Assets	Assurance	5		5
Pensions	Assurance	5		5
Expenses and additional payments	Compliance	5		5
Capital Programme	Assurance		4	
Counter Fraud	Appraisal	7	7	7
Finance and Resource System - Implementation	Appraisal	6		
<b>Workforce</b>				
HR Management – Training and Development	Assurance	7		
HR Management – Absence Management	Assurance		7	
HR Management – Wellbeing Strategy	Assurance			7
<b>Operational Performance &amp; Infrastructure</b>				
Estate Management – Governance arrangements	Assurance	8		
Estate Management - Delivery	Compliance		7	
Estate Management - Strategy	Assurance			7
Fleet Management – Single system	Appraisal	5		

Review Area	Type	2018/19	2019/20	2020/21
Fleet Management – Repairs and Maintenance	Compliance		5	
Fleet Management – Fuel	Compliance			6
Collaborative projects (three forces)	Assurance	4	4	4
Contract Management	Assurance	6	6	6
Local Policing – Property and Cash	Compliance	6	6	6
Internet/Email/Social Media	Appraisal		5	
Duty Resource Management	Appraisal		6	
Corporate Communications	Appraisal	6	6	6
Staying Ahead 8 themes	Appraisal		10	6
Victims Hub	Appraisal		6	
Vetting – Follow Up	Compliance	4		
<b>ICT *</b>				
EU General Data Protection Requirements	Compliance	6		
<b>Management and Planning</b>				
Follow-up	-	10	10	10
Liaison with Wales Audit Office	-	3	3	3
2018/19 Plan	-	6	6	6
2018/19 Annual Report	-	2	2	2
Management	-	15	15	15
	<b>Totals</b>	<b>160</b>	<b>164</b>	<b>150</b>

\* ICT reviews are undertaken by Torfaen CBC Internal Audit

## Annex C: Annual Plan – 2018/19

Quarter	Audit	Type	Days	Rationale & Scope
1	Governance Assurance Framework	Appraisal	10	<p><u>Rationale</u> To develop a fully integrated Governance Assurance Framework and tailor subsequent internal audit coverage to gaps in Assurance, following the recently introduced new Manual of Governance and change of Governance structure in the Force.</p> <p><u>Scope</u> The review considers the actions taken by the organisation to put in place and effective process for mapping the assurance received against the risks associated with the achievement of the corporate plan objectives to provide a structured internal control assurance environment including the appropriateness of the monitoring arrangements. The scope of the review does not include providing assurance that the arrangements cover all the risks facing the organisation or that the controls and/or monitors identified by the organisation are operating continuously and effectively.</p> <p><u>Executive Lead</u></p> <p><u>Departmental Lead</u> Lorna Virgo - Financial Accountant</p>
1	Business Continuity Planning	Assurance	10	<p><u>Rationale</u> New arrangements in place, provided in conjunction with South Wales Police. To cover the Force and the Police and Crime Commissioners Office arrangements.</p> <p><u>Scope</u> The review considers the arrangements for business continuity planning including policy/strategy and procedures, organisational responsibility, plan details for various scenarios and testing. The scope of the review does not include providing assurance that the business continuity planning covers all the risks faced, or that the arrangements proposed operate continuously and effectively.</p> <p><u>Executive Lead</u></p>



Quarter	Audit	Type	Days	Rationale & Scope
				<u>Departmental Lead</u> Lorna Virgo - Financial Accountant
1	HR Management – Training and Development	Assurance	7	<u>Rationale</u> New HR systems for scheduling training and rotas being introduced. New training scheme for Police Officers.  <u>Scope</u> The review will consider the effectiveness of the arrangements for scheduling Training and Development for Police Officers and Staff and how the arrangements are aligned with the priorities in the Police and Crime Plan.  <u>Executive lead</u> Assistant Chief Officer – Resources – Nigel Stephens <u>Departmental Lead</u> Neil Lewis, People Services
1	Estate Management – Governance Arrangements	Assurance	8	<u>Rationale</u> Newly developed Estate Management Strategy. <u>Scope</u> The review will consider the governance arrangements for the delivery of the outcomes in the Estate Strategy. The scope will include how the Strategy is developed, compiled, configured and monitored.  <u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer Resources <u>Departmental Lead</u> Kieran McHugh - Estates
1	Fleet Management – Single system	Appraisal	5	<u>Rationale</u> A review of an aspect of Fleet Management has been included in each year of the Audit Strategy. <u>Scope</u>

Quarter	Audit	Type	Days	Rationale & Scope
				<p>The review will apprise the effectiveness of the newly implemented fleet management system used across the three forces in South Wales.</p> <p><u>Executive lead</u> Assistant Chief Officer – Resources – Nigel Stephens</p> <p><u>Departmental Lead</u> Head of Fleet - Julie Reynolds</p>
2	Budgetary Control	Assurance	5	<p><u>Rationale</u> Key Audit risk area completed annually. Particularly important due to the continued cuts in funding.</p> <p><u>Scope</u> The review considers the budget preparation process, the monitoring arrangements, and reporting to the Strategy and Performance Board. The scope of the review does not include consideration of the assumptions used in preparing the budgets; depreciation policies; apportionment of central costs; or financial information included in tenders prepared by the organisation.</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer Resources Darren Garwood – CFO (PCC)</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>
2	Collaborative Project	Appraisal	4	<p><u>Rationale</u> Included in the plan annually, due to the increasing number of collaborative projects.</p> <p><u>Scope</u> This review across 3 Forces will consider the effectiveness of a joint project. Gwent Police have suggested that this is the Traian Project and this will be discussed with the other Forces by TIAA.</p> <p>.</p> <p><u>Executive Lead</u> To be advised.</p> <p><u>Departmental Lead</u></p>

Quarter	Audit	Type	Days	Rationale & Scope
				To be advised.
2	Contract Management	Assurance	6	<p><u>Rationale</u> Significant spend on the development of the new Head Quarters building.</p> <p><u>Scope</u> The review considers the arrangements for monitoring the development contract for the new Headquarters building. The scope of the review does not include consideration of the funding arrangements or the specification of the developments</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer Resources</p> <p><u>Departmental Lead</u> Kieran McHugh - Estates</p>
2	Local Policing – Property and Cash	Compliance	6	<p><u>Rationale</u> Key fraud risk, loss of property and cash.</p> <p><u>Scope</u> The review will assess compliance with the key corporate procedures for Property and Cash in the operational areas of East and West.</p> <p><u>Executive Lead</u> East - Supt Glyn Fernquest - Local Policing Area Commander West - Supt Marc Budden - Local Policing Area Commander</p>
2	Staying Ahead 8 theme – Corporate Communications	Appraisal	6	<p><u>Rationale</u> Staying Ahead 8 themes, included at the request of the Assistant Chief Officer of the force due to previous audit findings and ongoing changes in the department.</p> <p><u>Scope</u> The scope of the review will appraise the effectiveness of the corporate communication strategy.</p>

Quarter	Audit	Type	Days	Rationale & Scope
				<u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer Resources <u>Departmental Lead</u> To be advised.
2	Vetting	Compliance	4	<u>Rationale</u> Limited Assurance in 2017/18 review.  <u>Scope</u> The review will assess compliance with the internal vetting policy and check recommendations made in the 2017/18 review have been implemented. The scope of the review will not include providing assurance that all relevant staff and contractors are vetted.  <u>Executive lead</u> Assistant Chief Officer – Resources – Nigel Stephens <u>Departmental Lead</u> To be advised.
2	GDPR Compliance Audit	Compliance	6	<u>Rationale</u> To help ensure compliance with the requirements of EU GDPR. The implementation of GDPR on 25 <sup>th</sup> May requires significant changes to be made by organisations and breaches associated with non-compliance can be up to 4% of Global Turnover or €15M whichever is greater.  <u>Scope</u> The review will assess compliance with the key [EU] GDPR elements of: <ul style="list-style-type: none"> <li>• Privacy Impact Assessments</li> <li>• Data Subject rights (e.g. Right to be forgotten)</li> <li>• Data Classification and Asset management</li> <li>• Data Security &amp; Breach Management</li> <li>• Governance &amp; Consent</li> <li>• Data Controllers &amp; Processors</li> </ul>

Quarter	Audit	Type	Days	Rationale & Scope
3	General Ledger	Assurance	5	<p><u>Rationale</u> Key financial risk area completed annually</p> <p><u>Scope</u> The review considers the arrangements for providing an effective audit trail for data entered onto the general ledger and the appropriateness of the reports generated. The scope of the review does not extend to the budgetary control arrangements and bank reconciliations.</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer – Resources</p> <p><u>Departmental Lead</u> Lorna Virgo - Financial Accountant</p>
3	Payroll	Assurance	5	<p><u>Rationale</u> Key financial risk area completed annually</p> <p><u>Scope</u> The review considers the arrangements for: the creation, amendment and deletion of payroll records; payment of allowances and pay awards; and payment of salaries. The scope of the review does not include determination of salary scales, appointment and removal of staff, severance payments or reimbursement of travel and subsistence expenses, or pension arrangements.</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer – Resources</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>
3	Creditors	Assurance	5	<p><u>Rationale</u> Key financial risk area completed annually</p> <p><u>Scope</u> The review considers the arrangements for authorising and paying costs incurred by the organisation and the arrangement</p>

Quarter	Audit	Type	Days	Rationale & Scope
				<p>for control of the organisation's cheques and automated payments. The scope does not include providing an assurance that the expenditure was necessary or that value for money was achieved from the expenditure committed.</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer – Resources</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>
3	Debtors	Assurance	4	<p><u>Rationale</u> Key financial risk area completed annually</p> <p><u>Scope</u> The review considers the raising of debtor accounts, collection of income, receipting, storage and banking of income received by the organisation. The scope of the review does not include identification of the activities giving rise to income for the organisation, the basis of calculating the rates to be charged or that all income receivable has been identified.</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer – Resources</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>
3	Fixed Assets	Assurance	5	<p><u>Rationale</u> Key financial risk area completed bi-annually</p> <p><u>Scope</u> The review considers the identification of assets that need to be recorded in the asset register, the identification, locating and recording of assets; inventories; and the disposal of assets. The scope of the review does not include consideration of the purchasing, depreciation policies or insurance arrangements.</p>

Quarter	Audit	Type	Days	Rationale & Scope
				<p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer – Resources</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>
3	Pensions	Assurance	5	<p><u>Rationale</u> Key financial risk area completed bi-annually</p> <p><u>Scope</u> The review considers the arrangements for: the management and control of the administration of pensions.</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer – Resources</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>
3	Expenses and additional payments	Compliance	5	<p><u>Rationale</u> Key financial risk area completed bi-annually</p> <p><u>Scope</u> The review will check compliance with the expenses and additional payments policy and procedure. The scope of the review will not include any other aspect of the Payroll arrangements</p> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer – Resources</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>

Quarter	Audit	Type	Days	Rationale & Scope
3	Counter Fraud - Payments Health-check	Appraisal	7	<p><u>Rationale</u></p> <p>The review will provide assurance against reputational damage due to fraudulent activity, non-compliance with legislation (Finance Act), regulation (IR35) and duplicated payments utilising our Data Analytics team to focus the auditors testing regime. The work will be carried out in quarter 2 to provide sufficient time to resolve any issues identified during the review.</p> <p><u>Scope</u></p> <p>The review will cover legislative and regulatory requirements including a check on duplicate payments utilising TIAA's Data Analytics team. The Criminal Finances Act suggests that organisations should design or upgrade its procedures to include making clear to employees that the firm is committed to preventing the facilitation of tax evasion, including clauses in contracts with employees and external contractors requiring them not to engage in facilitating tax evasion, and to report their concerns straightaway, providing staff training, providing a safe whistle-blowing procedure, monitoring and enforcing prevention procedures and regular reviews of procedures and changing them where required.</p> <p>Other areas to be covered are:</p> <ul style="list-style-type: none"> <li>• IR 35</li> <li>• Duplicate payments</li> </ul> <p><u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer Resources</p> <p><u>Departmental Lead</u> Lorna Virgo – Head of Finance</p>
1 - 4	Finance and Resource System Implementation	Appraisal	6	<p><u>Rationale</u></p> <p>Proactive review to provide advice and guidance during the new system implementation.</p> <p><u>Scope</u></p> <p>Advice and guidance on the controls in the new finance system being implemented with South Wales Police will be provided throughout the year as required.</p>



Quarter	Audit	Type	Days	Rationale & Scope
				<u>Executive Lead</u> Nigel Stephens – Assistant Chief Officer Resources <u>Departmental Lead</u> Lorna Virgo – Head of Finance
2 and 4	Follow-up	Follow up	10	The review ascertains whether management action has been taken to address the recommendations arising from selected internal audit work carried out in the previous financial year.
1 - 4	Liaison with Wales Audit Office	-	3	
1	2018/19 Annual Plan	Management	6	
4	2018/19 Annual Report	Management	2	
1-4	Management & Planning	Management	15	
		<b>Total days</b>	<b>160</b>	

## Annex D: Audit Remit

### Role

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the Gwent Police's framework of governance, risk management and control. TIAA is responsible for giving assurance to Gwent Police's "Governing Body" (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of Gwent Police's risk management, control and governance processes.

### Scope

All Gwent Police's activities fall within the remit of TIAA. TIAA may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that Gwent Police's management has taken the necessary steps to achieve these objectives and manage the associated risks. It is not within the remit of TIAA to question the appropriateness of policy decisions. However, TIAA is required to examine the arrangements by which such decisions are made, monitored and reviewed.

TIAA may also conduct any special reviews requested by the board, Joint Audit Committee or the nominated officer (being the post responsible for the day to day liaison with the TIAA), provided such reviews do not compromise the audit service's objectivity or independence, or the achievement of the approved audit plan.

### Access

TIAA has unrestricted access to all documents, records, assets, personnel and premises of Gwent Police and is authorised to obtain such information and explanations as they consider necessary to form their opinion. The collection of data for this purpose will be carried out in a manner prescribed by TIAA's professional standards, Information Security and Information Governance policies.

### Standards and Approach

TIAA's work will be performed with due professional care, in accordance with the requirements of the PSIAS.

### Independence

TIAA has no executive role, nor does it have any responsibility for the development, implementation or operation of systems. However, it may provide independent and objective advice on risk management, control, governance processes and related matters, subject to resource constraints. For day to day administrative purposes only, TIAA reports to a nominated officer within Gwent Police and the reporting arrangements must take account of the nature of audit work undertaken. TIAA has a right of direct access to the chair of the board, the chair of the Joint Audit Committee and the responsible accounting officer (being the post charged with financial responsibility).

To preserve the objectivity and impartiality of TIAA's professional judgement, responsibility for implementing audit recommendations rests with Gwent Police's management.

Consultancy activities are only undertaken with distinct regard for potential conflict of interest. In this role we will act in an advisory capacity and the nature and scope of the work will be agreed in advance and strictly adhered to.

### Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2003.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

## Annex E: Assurance Mapping

### Corporate Assurance Risks

We consider four corporate assurance risks; directed; compliance; operational and reputational, and tailor the type of audit accordingly. For all types of audit we also taken into account value for money considerations and any linkages to the organisational Assurance Framework. The outcomes of our work on these corporate assurance risks informs both the individual assignment assurance assessment and also the annual assurance opinion statement. Detailed explanations of these assurance assessments are set out in full in each audit report.

### Assurance Assessment Gradings

We use four levels of assurance assessment: substantial; reasonable, limited and no. Detailed explanations of these assurance assessments are set out in full in each audit report.

#### LEVELS OF ASSURANCE PROVIDED



### Benchmarking

Where a similar review is carried out at a number of our clients we will subsequent to the completion of the review at each of the clients we will where relevant provide a benchmarking and lessons learned digest. This digest will include Operational Effectiveness Matters for the Gwent Police to consider.

### Types of Audit Review

The Annual Plan includes a range of types of audit review. The different types of review focus on one or more of the corporate assurance risks. This approach enables more in-depth work to be carried out in the individual assignments than would be possible if all four assurance risks were considered in every review. The suite of audit reviews and how they individually and collectively enable us to inform our overall opinion on the adequacy and effectiveness of the governance, risk and control arrangements is set out in the assurance mapping diagram.

