

Gwent Police - 2020/21 financial accounts learning and 2021/22 action plan

Issue Identifier	Issue identified as part of 2020/21 closure	Why this was an issue in 2020/21	Action already taken	Action required	Deadline Date	Individuals responsible	Notes
1	Some general ledger codes not fully mapped into the Big Red Button (BRB) software	Refinements needed to ensure all codes are mapped into the correct account areas to reduce the need for reclassification of balances and adjustments.	Mapping exercise scheduled for December 2021	Review of mapping of ledger codes in to BRB to confirm they are mapped appropriately	31/03/2022	HoF	Mapping review completed. However CIPFA are no longer supporting BRB and we have since had to rebuild the accounts using excel spreadsheets. The mapping document is still integral to the new accounts documents as it links the trial balance directly to the accounts. The Mapping document has been checked to ensure it includes all general ledger codes and that they are mapped to the correct figures/categories within the new accounts.
2	Timing and provision of Capita Internal controls reports	The independent review of Capita's internal controls over the police pension scheme administration noted a number of control weaknesses and was therefore qualified, resulting in additional work for AW to gain appropriate assurance.	Audit needs for 2020/21 on this area have already been identified and agreed with Audit Wales. Discussions taken place between Gwent Police and South Wales Police with AW, XPS and Capita on the information required by AW for the handover, including the XPS internal control reports.	Provision of information on the handover and the assurance reports for XPS for 2021/22 as per AW requests.	31/03/2022	HoF	Complete. Information required by AW on the handover has been discussed and agreed with AW and XPS, alongside the other forces in Wales.
3	Timing and provision of IAS19 information by Government Actuary Department (GAD)	The IAS 19 Pension liability information on the police pension schemes at 31/3/21 was provided three times by GAD due to errors in the information received from Capita. Delays and poor communications by GAD resulted in multiple sets of figures and adjustments in the unaudited accounts.	The change in police pension scheme administrator from Capita to XPS should result in better initial information to GAD. Discussions have taken place with GAD about future communications and we will be looking to use GAD's 'fast track' process for the IAS19 report in 2021/22 at an additional cost.	Ensure timeliness of information provided by GAD to Gwent on IAS 19 pension figures for inclusion in the unaudited year end accounts.	31/03/2022	AW/HoF	Complete. We have agreed with GAD that they will provide the IAS19 information using their express provision. There is an additional cost to this service but it will mean that the information will be received much earlier in April 2022.
4	Delayed bank balance confirmation letters	There were delays experienced by AW in receiving letter from banks confirming accounts balances at year end, despite chasing by AW and Gwent.	AW have already reviewed their internal processes for producing, requesting and chasing bank confirmation letters. Gwent will provide further assistance as required to ensure authorisation letters are in place and in chasing the banks.	Assist AW in obtaining Lloyds bank letter confirmation earlier in the audit	31/03/2022	AW/HoF	Complete. AW have progressed the bank confirmation letters and we will liaise with them on the return of the letters by the banks, adding our support by chasing our bank contacts as required.
5	Further improvement to working papers	Further refinements to some working papers are still needed on supporting information for the accounts. There were a number of additional information requests from AW this year that were not originally anticipated.	Substantial improvements already noted in 2020/21, and some further refinements are needed to ensure the audit trail and supporting information is clearer on areas such as leases and opening balances. AW have been consulted on the scope of the asset valuation exercise for land and buildings due in 2021/22. Cooke & Arkwright have been appointed as the valuer following a tender exercise and their initial report is expected in early 2022.	Continue with the improvements that have been made in 2020/21 year for the 2021-22 year in terms of the ledger review/control account reconciliations (including covert accounts), and working papers. Additional information requests noted in 2020/21 will be agreed and added to the schedule of deliverables list from AW for the 2021/22 audit.	31/03/2022	HoF	Ongoing. We continue to discuss working paper improvements with AW and their updated schedule of deliverables for 2021/22. We will be taking the audit team through the revised accounts templates and supporting working papers to ensure that the move away from BRB does not impact on the quality of those supporting documents.