

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

JOINT AUDIT COMMITTEE

3rd December 2015

Present: Mr R Leadbeter (Chair)
Mr D Mullan and Mr J Sheppard
Together with: Mr D Garwood-Pask – Chief Finance Officer (CFO)
Mr N Stephens – Assistant Chief Officer, Resources (ACOR)
Mr J Herniman – Wales Audit Office (WAO)
Ms V Davies – TIAA (IA)
Mrs J Regan – Information Officer (IO)

The meeting commenced at 10:00 hours.

The Chair wished the Information Officer well for her maternity leave and also wished the Committee Merry Christmas.

APOLOGIES

Action

1. Apologies for absence were received from Mr G Hughes, Mr I Johnston – Police and Crime Commissioner (PCC), Mr J Farrar – Chief Constable (CC), Mrs S Bosson – Chief Executive (CEX), and Mr M Coe – WAO.

DECLARATIONS OF INTEREST

2. There were no advance declarations made in relation to the business to be transacted.

MINUTES

3. The minutes of the meeting held on 16th September 2015 were received and confirmed. The following was highlighted:

Page 5, Internal Audit Update Report

TIAA informed us that field work had started on 30th November 2015 for the Business Continuity Review which had previously been deferred.

We requested an update on progress with the purchase of a new Headquarters (HQ) building. The ACOR informed us that negotiations were on-going regarding the purchase of a plot of land close to the current HQ building; the district valuer was involved with the process. It was hoped that terms would be agreed prior to Christmas.

ACTIONS

Action

4. We received and noted the actions from the meeting held on the 16th September 2014. The following were highlighted:

Action 4, Outstanding Audit Inspection Recommendations – Data Protection Information Asset Ownership, R01, R03 & R04.

The ACOR informed us that a meeting of the Information Assurance Board had taken place recently where compliance against the training modules Protecting Information Levels 1-3 had been monitored after the Committee had requested that this action was completed by the 30th November 2015.

Protecting Information Level 1 – there was a requirement for all staff and officers to complete this level. By the 23rd November 2015, 1,145 employees out of 2214 had completed this level.

Protecting Information Level 2 – 127 line managers from a total of 316 had completed the level.

Protecting Information Level 3 – 26 senior managers from a total of 102 had completed the level.

The ACOR informed us that some employees not required to undertake the higher levels had done so which was positive but that the Assistant Chief Constable (ACC) had asked all managers to focus on this area and ensure that the relevant training levels had been completed by all staff. The ACOR would provide a further update at the next meeting.

ACOR

We queried why the owner of the plan had not attended the meeting as requested. The ACOR explained that the ACC was the owner of the plan and was currently out of force on a training course and had been unable to attend. The ACOR informed us that the focus placed on this audit recommendation by the Joint Audit Committee (JAC) had ensured that this had been prioritised in force; it was hoped a 90% compliance rate would be achieved by January 2016.

We queried if there were any particular areas in force that lacked training in relation to the handling of sensitive data. The ACOR stated that the lack of managers having completed Level 3 was a risk but this would be monitored by the ACC at the Information Assurance Board.

We stated that it was important for a senior police officer to attend the JAC in order to provide an operational perspective as this had proven useful in the past. The ACOR would find out why the Chief Superintendent for Service Development had not been able to attend.

ACOR

Action 4, Wales Interpretation & Translation Services (WITS) R04

The ACOR informed us that a second meeting with Cardiff City

Council had been held in relation to transferring the WITS. A further meeting with the Council's Finance Director had been scheduled and governance documents had been drafted for their consideration. Once an agreement had been reached an implementation plan would be put in place in order for the transfer to take place.

Action

We stated that if this was not completed by April 2016 that there was a risk that alternative people would be in post who may not agree to these arrangements. The ACOR explained that the Service Level Agreement currently in place expired in March 2016 so would need to be reviewed if an agreement had not been reached. The ACOR believed the risk of the transfer not taking place was low but he wanted to ensure that the process was completed within the correct governance arrangements.

Action 11, Shared Resource Service Action Plan

The ACOR informed us that the amended WAO report had not yet been received. The WAO would arrange for the report to be sent to the Office of the Police and Crime Commissioner (OPCC) and the force as the final document had been issued.

WAO

REPORTS FOR CONSIDERATION

WAO ANNUAL AUDIT LETTER 2014/15

5. We received and noted the Annual Audit Letter 2014/15 from the WAO.

The Annual Audit Letter provided a summary of the work undertaken during 2014/15 and confirmed that there were appropriate arrangements in place to secure economy, efficiency and effectiveness in the use of resources.

An unqualified opinion was issued on the 2014/15 financial statements of the Commissioner, Chief Constable and Police Pension Fund.

A certificate confirming the audit of the accounts had been completed and was issued on the 29th September 2015.

We noted that the force level review of community safety formed part of a national study. A specific report would be produced on findings relating to Gwent Police as well as a national report containing wider findings based on all involved. As yet no serious concerns had been highlighted that needed to be drawn to our attention. The report was expected to be available in February 2016.

We noted that additional savings of £4.4million had been achieved in 2014/15 and had been transferred to reserves to meet future operational challenges.

There remained a net deficit in 2018/19 of £2.3million for which savings had yet to be identified. Due to the recent Comprehensive Spending Review (CSR) announcement by the Chancellor of the Exchequer, we noted that the Medium Term Financial Plan would need to be amended when further detail was available.

We also noted that the reviews conducted by Her Majesty's Inspectorate of Constabulary (HMIC) supported the Auditor's conclusions relating to the arrangements to secure an efficient and effective police service.

We noted that there was an unadjusted misstatement in relation to collaboration costs. This was due to the information not being received in time for inclusion in the accounts. The Welsh Police Finance and Resources Group had recently met and discussed this issue; the CFO informed us that the workshop originally planned for December to resolve and ensure that it did not happen in future had been postponed until January 2016.

We were informed that the 2018/19 accounts would need to be completed one month earlier than they currently were. The CFO stated that the 2015/16 accounts would be produced 2 weeks earlier than usual, the 2016/17 accounts a further 2 weeks earlier than for 2015/16 and that the 2017/18 accounts would be used as a trial in producing the accounts a month earlier to ensure all issues were resolved prior to 2018/19.

Due to this move towards faster closing of the accounts, the WAO stated that the use of reasonable estimates in the accounts would become more widespread. It was discussed that this could manifest itself in a greater volume of unadjusted misstatements appearing in the ISA260 Report, which, whilst not affecting the overall opinion of the accounts, could present a 'cultural' challenge to the compilers of the accounts and also this Committee.

WAO VERBAL FEES UPDATE

6. We received a verbal update on the WAO Fees.

We were informed that overall feedback to the consultation, which was provided to this meeting in September 2015, had been positive. The WAO fees for 2016/17 would be included in the Annual Audit Plan which will be presented to the meeting in March 2016.

INTERNAL AUDIT UPDATE REPORT

7. We received and noted a progress report from Internal Audit.

We were informed that since the last JAC the following final audit reports had been issued:

- Governance – Collaborations;
- Risk management;
- Contract Management;
- Treasury Management;
- ICT Network Security;
- Budgetary Control; and
- People Services – Training and Development.

Action

The following audits had been issued in draft:

- Joint Firearms Unit;
- Payroll;
- Local Policing East/West; and
- Duty Resource Management.

No priority 1 recommendations had been issued to date and we noted that no changes had been made to the Annual Audit Plan.

We discussed the performance monitoring measures included in the report and queried if they were contractual measures. IA informed us that the measures included were the standard ones used for every organisation and had not been discussed with officers.

We queried how many recommendations were closed in a timely manner and were informed by IA that this information would be included in the follow up report that was undertaken on an annual basis. There was also a Client Portal that provided access to this information; IA offered to provide the JAC members with access to this. We noted that only the final audit reports were available via the Portal and that officers needed to be relied upon to ensure only appropriate recommendations were rejected. We suggested that the target of 90% of recommendations being accepted may not be a measure that was needed in the future and consideration could be given to it being removed.

ACOR/IA

IA informed us that there were no issues in meeting the requirements of the Annual Plan for 2015/16 and that the Annual Report was on course to be produced for the meeting in March.

Appendix C of the report contained progress against all priority 1 recommendations. We queried if IA undertook any additional work to ensure that the updates provided in the Outstanding Audit Recommendations reports were accurate or if this was duplication of information; IA informed us that the responsible officer would be contacted prior to the Update report being produced and that they would also be checked as part of the Follow Up report. The ACOR suggested that if this was duplication of information and with access being provided to the Client Portal that we would need to consider if the Outstanding Audit report needed to be presented to this meeting in future. We stated that we were reluctant at this stage not to receive

ALL

the Outstanding Audit report and would discuss further at the next meeting after access to the Client Portal had been provided. IA stated that this appendix did not need to be included in the Update report and could be removed if required.

Action

We discussed the following detailed audit reports:

ICT – Network Controls Arrangements

IA informed us that this audit had been undertaken by a specialist ICT auditor; we noted the key findings.

A management comment relating to the deletion of accounts from the ICT system did not appear to answer the original recommendation. The ACOR assured us that there were now processes in place to ensure that when officers employed by other forces who had been working in collaborative roles left that role, their access to Gwent systems was removed.

We noted that the Shared Resource Service (SRS) Information Security Manager would now be employed by Gwent Police; the ACOR informed us that all roles in the information security team had been reviewed and that the team had been reduced from 3 members to 2. The person undertaking the Information Security Manager role had left the employment of the SRS and the force was currently recruiting internally to fill the position.

We agreed that the reports would not be published when they contained personal data. We requested that the Update report was amended to include job titles and sent to the Information Officer for publication to the website.

IA

Governance Collaboration Arrangements

The Chair informed us that he had made a request for this audit to be included on the agenda for discussion due to the on-going impact collaboration had for the OPCC and the force.

We noted that one of the recommendations was for the Chief Constable to review the Joint Memorandum of Understanding between the All Wales Policing Group and the four Welsh forces but that this had been passed to the CEx to progress. The CFO informed us that the change had not been discussed with the CEx and that it would not have been agreed. Revisions to the current arrangements will be discussed at the All Wales Policing Group after the Commissioner elections in May 2016.

The ACOR informed us that a review of the Southern Wales Collaboration Board Terms of Reference was in progress and would be discussed at the next meeting of the group during December.

OUTSTANDING AUDIT INSPECTION RECOMMENDATIONS

Action

8. We received a report that contained schedules of outstanding recommendations from previous audit reports and the current status of the work necessary to implement the required actions.

Joint Scientific Investigation Unit (JSIU) 2014/15 - R01

The ACOR advised us that the review of the JSIU had taken longer than expected to complete. The delivery mechanisms for the service had been restructured resulting in 18 staff members who were due to leave – 8 were Gwent staff members and 10 were South Wales staff members.

The ACOR stated that auditing was taking place in more areas than it had before and that the operational areas were realising the importance that the audit process played; this was leading to a large number of audits showing as completed in the report. We queried if the action owners realised that the JAC scrutinised this report; the ACOR stated that the scrutiny had assisted in ensuring the force placed greater focus on the Data Protection issues that had been raised. IA also confirmed that a meeting had taken place with the ACC in relation to the Data Protection actions to reiterate the request of the JAC in ensuring the deadline to meet the training requirement was brought forward.

We agreed to extend the completion dates as requested.

KEY PERFORMANCE INDICATORS

9. We received and noted a report on Key Performance Indicators.

We noted the analysis of outstanding debt and that purchasing card compliance was good. The ACOR informed us that a piece of work had been undertaken which resulted in managers being contacted to review and justify any money spent on purchasing cards that was spent outside of an available contract.

We were informed that the number of days taken to pay suppliers had increased from an average of 28.18 days to 28.53 days for the period 1st April 2015 to 31st October 2015. This was due to the increase in time taken to pay purchase order invoices (increase from 32 days to 46.45 days); the ACOR assured us that this area was now a focus and work was on-going to try and reduce this figure.

The ACOR stated that outstanding debt was generally higher at this time of year when compared to the previous six months. Work was on-going in order to determine if the process for dealing with debt owed by external companies needed to be more robust.

**TREASURY MANAGEMENT STRATEGY SIX MONTH UPDATE REPORT
2015/16**

Action

10. We received the 2015/16 Treasury Management Strategy 6 month update report.

The CFO informed us that the report was presented for our consideration and comment before it was approved by the Commissioner.

The Commissioner's current investment portfolio totalled £55 million; 94.5% of the investments were with Local Authorities and no single deposit exceeded a time limit of 364 days; this was in line with the Strategy approved for 2015/16.

In relation to current borrowing, we were informed that due to the penalties that would be incurred it was not financially prudent to repay current loans early, but this position will continue to be reviewed each month.

We were notified however, that the PCC has an earmarked reserve of £1.187m for the repayment of debt. The CFO confirmed that the 'technical accounting entry' to commit this reserve, without physically paying the debt, should now take place.

The 'technical accounting entry' known as a Voluntary Revenue Provision (VRP) will be actioned prior to the end of the financial year. This will have the effect of reducing the earmarked reserve to zero whilst at the same time reducing the PCC's Capital Financing Requirement (CFR) by the same amount.

Reducing the CFR by £1.187m will achieve annual savings of £0.047m (£1.187m x 4%) against the PCC's annual revenue budget each financial year as the statutory amount that the PCC is required to set aside to repay debt each year (4% of the CFR) known as the Minimum Revenue Provision will have reduced by this amount.

No new borrowing had been undertaken to date in 2015/16.

TREASURY MANAGEMENT STRATEGY 2016/17 to 2018/19

11. We received the Treasury Management Strategy for 2016/17 to 2018/19 for consideration and comment prior to approval by the Commissioner.

We were informed that the Police and Crime Panel would also receive the Strategy for their information at their meeting on the 11th December.

We noted that the Commissioner had a statutory responsibility to approve the Treasury Management Strategy which would need to be

completed prior to the approval of the Budget for 2016/17.

Action

The CFO stated that the Strategy for 2016/17 was consistent with previous Strategies seen by the JAC, with the exception that The period of time investments were able to be placed with banks had been increased from 2-3 months to 3-9 months as this achieved better interest rates.

It was hoped that the Commissioner would repay £1.187 million of debt in 2017/18 when interest rates were likely to rise as early repayment penalties would possibly be reduced.

We queried if we were requested to agree the Schedule of 12 Treasury Management Practices. The CFO stated that while it was not a requirement for the JAC to agree them, they were required to consider and comment upon them and that he would appreciate the support and scrutiny they provided. We therefore agreed to support the Schedule of Treasury Management Practices.

INITIAL BUDGET BRIEFING

- **MEDIUM TERM FINANCIAL PLAN**
- **COMPREHENSIVE SPENDING REVIEW AND AUTUMN STATEMENT**
- **FUNDING FORMULA**

12. We received the Medium Term Financial Plan (MTFP) for 2016/17 to 2020/21.

The CFO informed us the Strategy and Performance Board (SPB) discussed the proposals on the 19th November 2015. This report would also be presented to the Police and Crime Panel as part of the budget setting process for 2016/17 on the 11th December 2015. The final budget report requesting agreement on the precept level would be discussed at the Police and Crime Panel meeting on 22nd January 2016.

The MTFP assumed that the Council Tax precept level would rise by 4% in 2016/17 although we noted that the Commissioner had not yet made a final decision. A precept event was being held on 11th January 2016 in order to brief the public on Government austerity, the scale of the challenge facing Gwent police, the innovative solutions being developed to deliver the Commissioner's priorities and the pressures faced from changes in legislation such as an increase in employer National Insurance contributions.

We discussed the MTFP at appendix 1b and were informed that this document had been produced prior to the CSR announcement made by the Chancellor of the Exchequer in his Autumn Statement. We were informed that the total national policing budget would be 'protected' to a large degree, but we were yet to be made aware of

the impact this would have locally on Commissioner's individual budgets. The CFO stated that there was concern that police force budgets would be top-sliced in order to provide, for example, an increase in funding to national counter terrorism initiatives. We were informed that the provisional police settlement containing this detail was due to be provided to Commissioners in mid-December.

Action

We were informed that the Funding Formula review had been deferred for 1 year due to an error in the calculations by the Home Office.

We queried what the process would be for taking into account the outcome of the CSR as the public would not be expecting cuts to be made to police budgets and may therefore expect to see a different precept level to the one likely to be requested at the Police and Crime Panel meeting in January. The CFO stated that he would need to explain to the Police and Crime Panel and to the public about the pressures external to policing faced by all organisations such as the increase in employer National Insurance contributions. We noted that the current MTFP was likely to portray a worst case scenario and that efficiency savings would still need to be delivered. It was important to keep the focus on the budget for the medium rather than short term. We also noted that the CSR was based on the Office of Budget Responsibility predicting a £27 billion 'windfall' for central Government; but there was a risk that this may not materialise in the long term and that the policing budget may not end up with the protection promised in the Autumn Statement.

The CFO also stated the Police and Crime Panel would be briefed on the key changes to the MTFP once the detailed budget proposals had been received. An invite would also be offered to key members representing the Police and Crime Panel in order to run through the changes in greater detail, prior to their meeting in January.

CFO

We stated that the public may query why efficiency savings were now required in light of the CSR announcement. The CFO stated that the CSR didn't protect against unavoidable service developments and legislative pressures and that therefore significant efficiency savings would still be required across both organisations as a whole, in order to protect frontline policing. This was key, as in reality it was local intelligence gathering which was passed on to counter terrorism officers.

Appendix 1b, Medium Term Financial Projections 2016/17 to 2020/21

We noted that the budget would be balanced in 2016/17 utilising £920,000 of reserves and queried if reserves were planned to be utilised to balance the budget in future years. The CFO stated that the intention was not to use reserves necessarily, but to ensure sufficient pressure was continuing to be placed on the Staying Ahead Programme.

We queried if the decline in central Government funding of 7% shown in the MTFP was now a worst case scenario situation. We were informed that it wasn't, but was most probably realistic; a 25-40% reduction had been expected, we had planned for 32% as a midway point between these two figures which resulted in the 7% cash real terms reduction reflected in the MTFP.

Appendix 4a, Budget Savings 2015/16 to 2018/19

We noted the anticipated savings made on diesel in 2016/17 and queried if this was based solely on price. The ACOR informed us that as well as a reduction in price, there had also been a reduction in the volume of diesel used which had contributed to the projected savings. We noted that the risk surrounding the volatile nature of fuel costs was partially mitigated as a 5% increase in the cost of fuel was built into the MTFP each year.

We queried what areas were covered by Other Professional Services as the savings in this area were high. The CFO informed us that this was a 'catch all' area and contained items such as subscriptions to consultancy work.

Appendix 4c, Staying Ahead Phase 8 Schemes 2016/17 to 2020/21 and Other Savings Initiatives

We noted that savings had been anticipated in Intelligence Analysis and Intelligence Gathering and queried if this was a concern in the current climate. The ACOR stated that the Staying Ahead programme had streamlined the teams and process involved and assured us that the savings did not have an impact on the work undertaken in this area.

Appendix 6c, 2015/16 Capital Programme, Performance to 30th September 2015

We queried if grant funding would be lost if it was not utilised. The CFO stated that confirmation had been provided to the Home Office detailing the plans in place to spend the grant funding.

RESERVES STRATEGY

13. We received the Commissioner's Reserves Strategy 2015/16 from the CFO.

The Reserves Strategy assisted members in discharging their duties in relation to the budget setting process and the annual financial statements.

We noted that this report would also be presented to the Police and Crime Panel in order to assist in their deliberations regarding the Commissioner's precept proposal for 2016/17.

As this report had been delayed from the September JAC meeting we were informed that the appendix 5 'Reserves Position' had now been

superseded by appendix 7 of the Initial Budget Briefing report.

Action

The CFO informed us that despite having high levels of reserves, the report highlighted that they would diminish over the lifetime of the current Government. The Commissioner currently followed best practice advice and held reserves to cover the Private Finance Initiative. A large portion of the reserves would also be used to fund the new Headquarters building. Once the allocated reserves had been removed, the remaining was the Commissioner's general reserve, which was available to mitigate the impact of unexpected events or emergencies.

We noted that there had been no feedback from the Home Office in relation to Gwent's reserve position.

Mr J Herniman left the meeting at 12.40pm

ANY OTHER BUSINESS

We agreed to discuss the CIPFA training update prior to breaking for lunch.

Update from CIPFA Training on 9th October in North Wales

- 2016 – Host Training in Gwent

We received an update from Mr D Mullan regarding the CIPFA training held in North Wales in October 2015 and noted the key areas arising.

A debate had taken place in relation to the appointment of Internal Auditors. Our Terms of Reference state that the JAC would have involvement with the appointment of Internal Audit; we were satisfied that this had been met as the Chair of the Committee was recently involved in the recruitment process for the Internal Auditors.

We also discussed the 'deep dive' sessions undertaken after the JAC meetings to assist in our understanding of the wider policing environment. The Information Officer stated that we had previously discussed suggestions for these 'deep dives' and that the list was being worked through. We requested that priority was given to areas that were included within the audit reports.

We noted that the training in 2016 would be hosted in Gwent and that the Information Officer would progress these arrangements. It was suggested that Lync, a video conferencing system, could be utilised for those JAC members across Wales who were unable to attend. The ACOR informed us that the system was used to engage with officers from other forces around Wales on a frequent basis.

It had been advised that all JAC members read a copy of the Public Sector Internal Audit Standards (PSIAS). IA informed us that an internal review on their PSIAS compliance had taken place which would be circulated to members. They also informed us that a

process was currently on-going to appoint an external organisation to undertake the 5 year review; it was anticipated that this would take place in March.

Action

The meeting was adjourned for lunch at 1pm for 20 minutes. Ms V Davies left the meeting at 1.15pm.

VERBAL COMMISSIONING UPDATE

14. We received a verbal update on Commissioning from the CFO.

We were updated on the 6 key areas within the Strategic Commissioning framework:

- Strategic Community Safety;
- Anti-Social Behaviour (ASB) Prevention and Reduction;
- Crime Prevention and Reduction;
- Core Policing;
- Victims Services; and
- Rehabilitation.

The CFO informed us that the Victims services element of the Strategic Commissioning framework had been delivered first with the introduction of Connect Gwent. This was due to money being provided from the Ministry of Justice (MoJ) specifically allocated to this area of work. The Commissioner was also currently exploring the possibility of establishing a Rehabilitation Hub, similar in structure to that of Connect Gwent but with a focus on rehabilitation to try to prevent future crime.

We were informed that referrals to Connect Gwent were increasing, with 2,225 received in October 2015 alone. The introduction of Connect Gwent had also resulted in victim satisfaction levels increasing by 5.3% (July 2014-July 2015). Further work was on-going to develop services offered to incorporate victims of ASB; the intention was also to incorporate the Witness Care Unit (assistance provided to victims attending court) into Connect Gwent in the future.

We were informed that IA would be undertaking an audit which would review how Connect Gwent was delivered and how it was performing.

'Safer Gwent' had recently been developed by the OPCC which acted as a multi-agency working group for the Strategic Commissioning Board; in 2015/16 it had allocated to it £500,000 to deliver outcomes in the areas of community safety, ASB prevention and crime prevention. The aim of the group was to work in partnership with other organisation across Gwent affected by the same issues as the police.

We queried if Connect Gwent was delivering value for money. The CFO informed us that Victim Support formed a large part of the cost

of running Connect Gwent and that they had a performance framework that was reported on to the Connect Gwent Co-ordinator who scrutinised and reported to the Victims Hub Project Board. A strategy was also being developed to determine if the third sector organisations who worked with and were located within Connect Gwent were adding value. We were also reminded that IA were due to undertake an audit of Connect Gwent which would be reported to the JAC and that this would also ensure members were confident that the service was providing value for money.

The CFO informed us that the focus of IA this year was the review of Connect Gwent but that it had been agreed over the coming years to include various other areas of Commissioning work being undertaken; this should provide the JAC with assurance that this area of the Commissioners budget was being spent wisely and was providing value to the people of Gwent. We noted that the Partnership Fund had been audited in the past year and had received a substantial audit outcome. We were also informed that all grants provided were monitored with 6 monthly and annual returns expected. These were then evaluated, on a dip-sample basis, to ensure that the organisations had delivered what they had set out to at the beginning of the grant period.

We noted that mental health was an area of work for future development within the Commissioning framework and queried how this impacted the work of the police. The CFO informed us that one of the Commissioner's priorities was to protect vulnerable people in Gwent. The ACOR also stated that people with mental health issues placed a heavy demand on the force; only 20% of the work undertaken by the force related to crime, the rest related to incidents such as ASB and mental health.

EXCLUSION OF PRESS AND PUBLIC

15. The information contained in the report(s) below has been subjected to the requirements of the Freedom of Information Act 2000, Data Protection Act 1998 and the Office of the Police and Crime Commissioner for Gwent's public interest test and is deemed to be exempt from publication under sections 4 and 7.

TO MONITOR THE JOINT STRATEGIC RISK REGISTER

16. We received and monitored the Joint Strategic Risk Register.

The ACOR advised us that custody healthcare provision was a current concern for the force. Work was on-going to ensure that sufficient provision was available and that a tender process was being developed. We noted that the detailed explanation relating to the risk was not reflected in the report; this made it difficult to fully understand the force concerns. The ACOR stated that only recent updates were provided and offered to present the report that was utilised at the

Business Tasking and Co-ordination Group at future meetings.

Action

TO MONITOR THE OPCC RISK REGISTER

17. We received and monitored the OPCC Risk Register.

The CFO advised us that the partnership working risk had recently been included as due to reductions in funding experienced by the public sector, there was a risk that partner organisations may decide not to continue to fund current projects.

We discussed the risk associated with the Commissioner elections and the on-going transition arrangements and queried if there would be a Purdah period. The CFO informed us that plans had been implemented to ensure all decisions were taken prior to the end of March 2016. We queried how this would impact on the decision needed to be taken in relation to the purchase of a new HQ building. The ACOR informed us that a decision was needed prior to Christmas which would allow time to develop the documents required in time for the Commissioner to sign, post-election period, in May 2016. We noted that if the Commissioner changed, this could delay the process further than it had been already. The ACOR stated that there were benefits in moving to a new building as the current HQ was expensive to run and maintain.

VERBAL COLLABORATION UPDATE

18. We received a verbal update on collaboration from the ACOR.

We were advised that Capita had suggested it was possible to remove approximately 20% from the cost base by the introduction of collaborative projects relating to support functions across Wales. Commissioners and Chief Constables had agreed to progress the suggestions contained within the collaborative report; governance arrangements were currently being developed. It had been agreed that Procurement and Estates would be the first areas to be progressed with work being commenced.

We queried if there would be any further collaboration in relation to operational policing. The ACOR informed us that only support services had been reviewed by CAPITA but stated that the operational areas collaborated on to date, such as Firearms and Scientific Support, had been very successful.

We raised concern that the recent funding announcement may provide reasons for collaborative projects not to be developed and hoped that this would not be the case.

ANY RELEVANT REPORTS FROM OTHER ORGANISATIONS THAT SHOULD BE BROUGHT TO THE ATTENTION OF THE JOINT AUDIT COMMITTEE

Action

19. **HMIC PEEL Efficiency Inspection – Gwent Report**

We were informed that approximately 18 months previously Gwent had been seen as one of the poorest performing forces in England and Wales by HMIC; the current report detailed how Gwent had improved although we noted there was still work to be undertaken. The ACOR informed us that the demand on the force had been assessed and that the Staying Ahead savings programme was based on robust information.

We congratulated the force on the work undertaken in this area and on achieving such a dramatic improvement in a short space of time.

‘Telling the Story’ Consultation (Financial Statements) – Verbal Update

The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) had recently undertaken a consultation process to determine how the accounting process could be streamlined and how the documents could be made easier for the public to understand. The consultation had closed in October but no outcome had been received as yet. The CFO offered to provide an update on progress in March.

CFO

ANY OTHER BUSINESS

20. **Verbal Update on JAC Recruitment Process**

We were informed that the recruitment process had now been finalised and a member appointed. 16 people had applied for the position, with 4 interviewed. The CFO informed us that the quality of candidates was extremely high.

We queried if it would be possible to meet the new member prior to the start of the meeting in March. It was suggested that all JAC members attended 30 minutes prior to the start of the meeting for an informal introduction to take place.

IO

We raised concern with the recent request for all JAC members to be included on the force payroll system in order to receive payment for their attendance at meetings. The CFO informed us that this was raised by Her Majesty’s Revenue and Customs in 2012 as the role passes their ‘employment test’. We were assured that JAC members would not become employees of Gwent police or the OPCC. The CFO had undertaken research with numerous other OPCCs and discovered that this was how they were already paying their JAC members. Due to concerns with alteration of tax codes for certain members, the CFO confirmed that the new system would start from the next financial year where necessary.

TO IDENTIFY ANY RISKS ARISING FROM THIS MEETING

Action

21. We agreed that the following risks should be considered for inclusion on the risk register:

- Public perception of police funding in light of the CSR announcement compared to the reality of the situation experienced locally.
- Funding from the MoJ for victims services could end if their budgets are reduced in future.

**ACOR/
CFO**

CFO

The meeting concluded at 2.35pm