

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

JOINT AUDIT COMMITTEE

9th June 2022

Present: Mrs D Turner (Chair)
Mr J Sheppard, Mr A Blackmore, Mr R Leadbeter and Dr J Wademan

Together with: Mr J Cuthbert – Police and Crime Commissioner (PCC)
Mr D Garwood-Pask – Chief Finance Officer (CFO)
Mrs J Regan – Head of Assurance and Compliance (HoAC)
Mr N Stephens – Assistant Chief Officer, Resources (ACOR)
Mr N McLain – Head of Continuous Improvement (HoCI)
Ms H Ping-Boey – Senior Accountant (SA)
Mr M Brekke – Accounts Apprentice (AA)
Mrs H Cargill – Internal Audit (TIAA)
Mr M Corcoran - Torfaen County Borough Council Internal Audit (TCBC)
Ms H Williams – Audit Wales (HAWW)
Ms C James – Audit Wales (CJAW)
Mrs N Warren – Governance Officer (GO)

The meeting was held in the Yew Room 1 and on Teams and commenced at 10:00am.

We congratulated the Chief Constable for being awarded the Queen’s Policing Medal QPM.

1. <u>APOLOGIES</u>	Action
Apologies for absence were received from Ms P Kelly, Chief Constable, Mrs A Blakeman, Deputy Chief Constable, Mrs S Curley, Chief Executive and Mr M Coe, Head of Finance.	
2. <u>DECLARATIONS OF INTEREST</u>	
There were no advance declarations made in relation to the business to be transacted.	
3. <u>MINUTES</u>	
The minutes of the meeting held on 9 th March 2022 were received and confirmed.	

4. <u>ACTIONS</u>	Action
<p>We received and noted the actions from the meeting held on 9th March 2022 and actions outstanding from earlier meetings.</p> <p>Action 1, 9th March 2022, Internal Audit (TIAA) We discussed the attrition rate of leavers of new officers and staff in Gwent and the high level of overtime. Joint Audit Committee (JAC) asked what the Force were doing in order to retain staff in terms of their welfare and if an audit should be considered for this area in the Audit Plan. The ACOR informed us the People Services Strategy incorporated all of these elements and could be presented to the JAC as a deep dive session during the course of this financial year.</p> <p>Action 2, 9th March 2022, External Audit We agreed to close this action as it was likely that Audit Wales (AW) had removed the action from their Audit Update Paper, as the Big Red Button work had been completed.</p> <p>Action 4, 8th December 2021, To discuss Risks and Changes to Risk Rating on the Joint Risk Register. We agreed this action could be closed, as the Risk Summary Template is to be reviewed at this meeting.</p> <p>The JAC members requested sight of the Shared Resources Services (SRS) Review Action Plan and the ACOR agreed to share the plan once it had been through the relevant governance board in approximately 6 months.</p> <p>Interviews have taken place and 2 new JAC members will be joining the JAC. The CFO assured us that the new members have extensive skillsets which should help to fill the knowledge gaps left by the 2 experienced JAC members, due to their tenure ending. Both new members should be attending in September to observe the JAC meeting process, subject to vetting clearance.</p> <p>It had also been agreed that Mr J Sheppard would remain on the JAC in a consultative role for a few months to assist the new members with their transition into their new role.</p> <p>The Chair suggested that she attended a meeting with the ACOR and CFO to discuss best practice in terms of how the JAC papers were distributed and how this could be made more efficient via an electronic route. The CFO and ACOR agreed.</p>	<p>ACOR</p> <p>ACOR</p> <p>ACOR /CFO</p>
<p>5. The information contained in the report(s) below has been subjected to the requirements of the Freedom of Information Act 2000, Data Protection Act 2018 and the Office of the Police and Crime Commissioner for Gwent's public interest test and was deemed to be exempt from publication under section 7.</p>	

6. <u>TO DISCUSS NEW RISKS AND CHANGES TO RISK RATINGS</u>	Action
<p>We received and noted the Risk Summary and the Joint Strategic Risk Register.</p> <p>The HoCI advised us the Risk Summary would be presented to JAC in future meetings, following approval. The report illustrated a summary of the risk including the core risk, the level of the risk, the desired outcome, the risk plan update date, the estimated date of closure of the risk and who attested the risk and at what boards. More detail about the risk could be found by clicking on the link within the summary report. There were no critical risks for the Force.</p> <p>The HoCI confirmed that several meetings had taken place with the JAC Risk Lead and the Force Risk Manager over the last month and thanked him for his time and input.</p> <p>The JAC Risk Lead referred to the document being shared on-line and noted it was more up to date than the JAC papers and raised concerns about the timeliness.</p> <p>The JAC Risk Lead reminded us of the requirement for the revision, particularly for JAC, as the previous report presented to the meeting contained a large amount of operational information that was not relevant to JAC. The main aim was to develop a summary report for JAC, setting out the key information such as the top strategic risks, evaluation of the risk, what outcome the Force was trying to achieve when dealing with the risk, the action to be taken, timelines in relation to when the actions were last updated, when the action was expected to be completed and finally the attestation from the Chief Officer regarding actions taken to date. It was not clear what the causes were of the risks which were in the report. The JAC Risk Lead offered his support to identify further areas for improvement.</p> <p>The JAC members agreed that it would help if the document illustrated if the action had remained on track but was unsure why the 4 T's (Transfer, Tolerate, Treat, Terminate) were needed, as all risks were treated. It would benefit the organisation to note when a risk had been managed as far as possible to be 'tolerated', with a clear explanation as to why it had to be tolerated.</p> <p>The JAC ICT Lead suggested that it would be useful for the documents to be shared during the meeting, to ensure the risk updates were presented in real-time, as opposed to receiving the paper version.</p> <p>The JAC ICT Lead asked what the general feeling was in Force in relation to Risk Management. Was it seen to be a bureaucratic inconvenience, or if it was valued at all levels within the Force in decision making processes to drive momentum? The ACOR confirmed that Risk Management was at the centre of all areas. It was standardised on all agendas in governance and all of the risks relating to the respective governance boards were reported upon</p>	

<p>through the monthly reporting cycle. Risks were then reported to the Scrutiny Executive Board, the Chief Officer Board and the Strategy and Performance Board level.</p> <p>The JAC ICT Lead queried the length of time that some of the risks had remained on the register. The ACOR acknowledged that some low-level risks remained on the Risk Register for long periods and the methodology used to record the risk status could be refined. However, we were assured the Force were very good at responding to critical risk.</p> <p>The JAC ICT Lead asked if data on risk themes was collected to consider overall risk in particular areas such as resourcing, as opposed to departmental silos. The ACOR assured us that risks presented themselves in many themes such as people, estate or technology and there were governance boards in place to address each of those areas at the appropriate level of priority.</p> <p>TIAA informed us that some of their clients linked risk tolerance levels to targets such as performance indicators. The ACOR confirmed the Force had a programme of activity and a timeline to demonstrate the required level of resources sitting behind each of the risks, in order to measure against performance indicators. Although this process was not formalised, it was completed by the Force.</p> <p>It was acknowledged that Risk Management was well embedded within the organisation and JAC members agreed that risk management had improved significantly over the last few years.</p>	<p>Action</p>
<p>7. <u>RISK MANAGEMENT STRATEGY</u></p>	
<p>We were advised the Risk Management Strategy had remained unchanged. It would be updated this financial year as opposed to next April, once the summary report had been agreed. The Strategy would also include the use of the Sharepoint platform, as it allows the relevant Force employees shared access to enable the report to be updated more efficiently, without the need to email risk owners.</p>	<p>HOCI</p>
<p>8. The information contained in the report(s) below has been deemed not to be subject to the requirements of the Freedom of Information Act 2000, Data Protection Act and the Office of the Police and Crime Commissioner for Gwent's public interest test and is deemed not to be exempt from publication under Section 7.</p>	
<p>9. <u>INTERNAL AUDIT (TIAA)</u></p>	
<p>We received and noted the TIAA reports.</p> <p>TIAA advised us there had been no concerns with the audit reports that had been issued. There were 3 audits outstanding that were due to be concluded shortly.</p>	

<p>JAC noted the number of audit days had reduced from 150 to 135 and asked if there was scope for flexibility. The CFO confirmed there were 15 extra days should they be required.</p>	<p>Action</p>
<p>Following a discussion, it was agreed the deep dive on People Services would provide the opportunity to determine whether additional audit days would be needed for a review in relation to the wellbeing of employees.</p>	<p>ACOR/ CFO</p>
<p>Our attention was drawn to the Environmental and Social Governance (ESG) factors within the Supply Chain Impact document. JAC suggested there should be reference made to how generic risks in the supply chain were being managed in terms of ESG, particularly Modern Day Slavery (MDS) and where supplies were being manufactured. The ACOR advised us the MDS Statement was refreshed each year to demonstrate any activity undertaken. There was also an All-Wales Ethical Supply Chain Group (ESCG) and a quarterly ESCG within the Force. Force activity was based upon an Action Plan, incorporating aspects from employer and supply chain intelligence for all areas of the organisation. This ensured the Force considered all aspects of MDS when using supply chains or conducting business with other organisations.</p>	
<p>A 2-year programme was established to contact the main suppliers by the 2021-22 year end, to determine if suppliers were willing to adopt the Force's supply chain template in order to be transparent about their working practices. Over 100 suppliers had been contacted and a large proportion had agreed to adopt the template, to demonstrate the activities they were undertaking to support their staff. There are a small number who have not adopted the template as yet. This process would continue in relation to any new suppliers going forward.</p>	
<p>However, MDS and exploitation remains a challenge for all Forces and organisations particularly when purchasing components that form part of a bigger supply chain having difficulties, as this means the full product isn't available. This has been a problem for the Force in some aspects, particularly with technology products. However, due to anticipating supply chain issues as a result of Brexit, the Force had purchased police uniforms and vehicle parts in bulk and were therefore able to mitigate some of the supply chain issues now being experienced. We were assured although there were issues with some supply chains, they were not business critical.</p>	
<p>The PCC advised us that the Force adhered to the WG Ethical Employment Policy to counteract People Trafficking and MDS, which meant that the Force or any of its suppliers must have systems in place to ensure they were not directly or indirectly dealing with organisations that were involved in People Trafficking or MDS. The PCC leads on this issue on the All-Wales Policing Group and also participates in the WG MDS Leadership Group. He assured us a significant amount of work was being undertaken to tackle the issue and to provide support to those victims of such a crime.</p>	
<p>The CFO confirmed the Force and OPCC were a living wage employer.</p>	

<p>The total number of audit findings had decreased from 2018/19 to 2021/22.</p> <p>There were a small number of new audits in the new Audit Plan 2022/23 and some of the audits had already commenced.</p> <p>We acknowledged progress in this area had significantly improved over the last 2 years.</p> <p>The JAC ICT Lead advised us that it was evident during her ICT meetings with the ACOR and SRS Management, that the necessary attention was being given to ensuring the Force were being kept safe. A prime example being that staff worked over the Jubilee bank holiday due to increased cyber threats.</p> <p>The JAC ICT Lead referred to the opinion rating diagram on page 2 of the report and asked if it was feasible that organisations could reach a satisfactory level, as opposed to a generally satisfactory level. TCBC confirmed that it was achievable and were hopeful that the Force would achieve a satisfactory opinion by next year.</p> <p>Our attention was drawn to the IT disposals follow-up audit which had a received a moderate opinion rating. The JAC ICT Lead asked what could be done to improve the rating to the same level as the other audits. TCBC confirmed there was nothing of concern in the audit that he was aware of and he could request the information from his colleague should the information be required.</p> <p>The JAC ICT Lead asked how the areas for audit were chosen. TCBC informed us that they followed a tried and tested methodology. TCBC reviewed the Risk Register, Board Papers, and Digital Strategies to ascertain priority areas requiring audit and considered the areas specified within the audit arena for the coming year. Following that the agreed audits were issued in the proposed audit plans.</p> <p>The JAC ICT Lead asked if TCBC considered the scope of the audits to be suppressed in any way. TCBC assured us this was not an issue, as the scope of audits were discussed openly at the Finance and Governance Board (FGB) to determine an appropriate scope for every audit.</p> <p>The JAC ICT Lead noted there was good progress made between the fieldwork completed and the final issuing of the report and queried if this was the case prior to the fieldwork commencing. We were advised that each audit report contained a timeline and indicated where any delays would have occurred. TCBC auditors challenged SRS when there were audit delays, however there were usually legitimate reasons provided by SRS as to why there was a delay.</p> <p>The ACOR assured us that the FGB received updates from TCBC to flag any concerns with SRS Management, which was a very useful management tool.</p>	<p>Action</p>
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<p>JAC members informed us that during their JAC Training Day on the 7th June 2022, Audit Wales (CJAW) advised that it was best practice for internal auditors to attend JAC meetings to present their Annual Reports and also to attend if there was an audit with a rating below moderate level. JAC requested that TCBC Internal Audit attended if there was to be an audit below moderate this year and going forward. The ACOR agreed to raise the practicalities of TCBC attending JAC meetings at the following FGB with the Section 151 Officers, the TCBC Management and SRS Management.</p> <p>JAC thanked TCBC for attending to present their Annual Report and acknowledged there were no audit ratings below moderate in the previous year and therefore, TCBC were not required to attend during the course of that year. The JAC Annual report would be amended accordingly.</p> <p>We commended the TCBC and SRS for their hard work in ensuring the audits were conducted on time, particularly during Covid as there has been a stepped change in progress.</p>	<p>Action</p> <p>ACOR</p> <p>HOAC</p>
<p>11. <u>EXTERNAL AUDIT</u></p>	
<p>We received and noted the Annual Audit Plan 2022 from External Audit:</p> <p>CJAW highlighted the significant risks within the plan and reminded us that the risk of management override was incorporated within all AW audit plans every year.</p> <p>Asset valuations was a significant risk this year, as a 5-year revaluation of land and buildings was being undertaken and significant sums of money were involved. AW would conduct a detailed review of the valuations, to ensure appropriate adjustments have been made to the accounts this year. There had been significant shifts in asset valuations across public sector organisations, due to increases in inflation and rising costs in building materials. Therefore, AW work had increased in this area. However, Gwent had planned for a full revaluation of land and buildings this year. The CFO was asked what his expectations were in relation to the outturn of downside risk, particularly revaluations. The CFO informed us there weren't any due to the nature of the premises, as they were not retail/commercial premises, but for policing functions.</p> <p>Our attention was drawn to other areas of audit focus within the report.</p> <p>As there was a transfer of Police Pension Fund administration functions from Capita to XPS, AW would review the checks undertaken by the Force to confirm the transfer of membership data, were carried out correctly.</p> <p>AW would review and confirm that any transactions recognised and disclosed in the Financial Statements were appropriate and consistent with legislation and guidance in relation to the pension benefits owed to retired members or those retiring as a result of the McCloud judgement.</p>	

<p>The CFO thanked the JAC members for their scrutiny of the Statement of Accounts and the AGS and welcomed further comment.</p> <p>The CFO thanked the Senior Accountant and Head of Finance for their hard work this year. The Draft Statement of Accounts were published by the statutory deadline of 31st May 2022 and the working papers were forwarded to AW on the 31st May. This was a stepped improvement compared to previous years and AW were able to commence their audit of the Statement of Accounts on the 1st June 2022.</p> <p>The Chartered Institute of Public Finance and Accountancy's (CIPFA) Big Red Button software, used to transfer accounting information from Force software into the Statement of Accounts format had been decommissioned. However, as the Finance Team were involved in its development, they were able to use their knowledge to develop a template to map the required accounts data into the CIPFA Code accordingly.</p> <p>All key actions within the lessons learnt action plan on the Statement of Accounts had been completed and the ACOR and CFO were in receipt of the Draft Statement of Accounts for review by the 23rd May 2022.</p> <p>The Call of Audit date has been set for the 12th July 2022.</p> <p>The McCloud/Sergeant Pension issues remain a concern, as primary and secondary legislation is awaited which would set the methodology for recalculating revised pension positions for all serving/non-serving officers/staff. The Home Office has provided funding for the collaboration role of a Pension Administrator in the All-Wales Pension Hub, to administer McCloud pension issues.</p> <p>The majority of Covid costs fell into the 2020/21 financial year and further costs of £353k have been incurred in 2021/22. A reserve of £0.5m of legacy funding from the Home Office has been held by the Force, to cover ongoing costs in 2022/23.</p> <p>There was a £4m non – recurrent surplus at quarter 4 prior to the transfer to reserves, of which £1m of which would be transferred to the general reserve to maintain a set amount of approximately 3.3% of net revenue expenditure. The underspend was primarily a consequence of the impact of the Operation Uplift programme, due to officers and staff being recruited on a phased approach and the funding being received in advance. However, the Comprehensive Spending Review (CSR) provides assurance of funding for 3 years but long-term funding would be required for the additional officers over the course of 30 years.</p> <p>There would be a £9m deficit by 2026/2027 following any efficiency savings. Therefore, it was imperative that some reserves and committed funds were set aside on an annual basis in order to balance the books, whilst consideration was given to other efficiency saving possibilities.</p>	<p>Action</p>
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<p>Reserves and Committed Funds were utilised mainly for the comprehensive capital programme, resulting in a balance on Reserves and Committed Funds of £33m at year end; a reduction of £8.5m from last financial year. The Commissioner would be in a borrowing position at the end of the 2022/23 financial year or early 2023/24.</p> <p>A review of the Estates Strategy was being conducted to assess its affordability in light of the associated Threat, Harm and Risk, particularly the Joint Firearms and Custody Unit. The Police and Crime Panel had shared their concerns regarding the degree of borrowing required.</p> <p>The AGS had been published with the Draft Statements Accounts. The audit opinion of Internal Auditors TIAA and TCBC have subsequently been received and the AGS would be completed following receipt of the opinion of the Joint Audit Committee Annual Report, in readiness for the finalisation of the Statement of Accounts at the end of July 2022.</p> <p>We were informed that the AGS consisted of two parts. Part one referred to the scope of the PCC and CC's responsibilities to make sure appropriate governance arrangements were in place and part two referred to the undertaking of reviews to test the effectiveness of the governance arrangements.</p> <p>The effectiveness of governance arrangements 2021/22 were assessed against the extended Nolan Principles and the CIPFA Financial Management Code of Practice on Financial Resilience (FM Code). There were 2 actions outstanding in relation to the Nolan Principles and 4 on the FM Code from previous years and no new findings this year. Plans were underway to progress the remaining actions.</p> <p>The Statement of Accounts were expected to be signed off on the 28th July 2022.</p>	<p>Action</p>
<p>The JAC Accounts Lead commended the Finance Team, as the number of queries and typos within the Statement of Accounts was significantly lower than the previous 2 years and the audit process appeared to be improving year on year. The JAC Accounts Lead advised us that he would call the Finance Department to advise of any minor comments on the Statement of Accounts.</p>	<p>JAC Accounts Lead</p>
<p>The JAC Accounts Lead suggested that a statement should be included in the AGS to inform the reader that the assessment against the Nolan Principles was a self- assessment and the CFO agreed.</p>	<p>CFO</p>
<p>A discussion ensued regarding the content of the Statement of Accounts, as it was previously noted that they were too large and complex for the general public to read and the expansion of the AGS within the Statement of Accounts was lengthening the document even further. It was suggested the Statement of Accounts could contain a single page AGS summary, with reference made to the full AGS, unless there was a legal reason for not doing</p>	

<p>so. The CFO confirmed the AGS was a standalone document which had to be published alongside the Statement of Accounts and agreed to consider the suggestion going forward.</p>	<p>Action CFO</p>
<p>The JAC Audit Lead noted that compliance with the FM Code had not been subject to audit by AW and questioned if it should be. JAC noted there was partial compliance with long term financial resilience code sections and standards regarding long to medium term financial management. JAC expected this to be higher given the information JAC had received. The CFO advised us that although the strategic focussed documents were good, having the results of the FM code self-assessment process within the published AGS helped to drive performance by indicating required improvements and assisted with Force-wide Departmental planning.</p>	
<p>It was suggested that members of the public may not feel assured by the progress in some areas of the Joint AGS, particularly in relation to the vetting element or partial compliance in financial resilience, not having seen the documentation that JAC had has sight of. The CFO advised us that CIPFA had not yet developed a resilience toolkit for Policing like the one used by Local Government. However, this was managed internally in Force through the Financial Management Strategy and Medium-Term Financial Plan. The CFO agreed to provide further context in the AGS in relation to the areas raised.</p>	<p>CFO</p>
<p>Our attention was drawn to page 85 where reference was made to Independent JAC members and other organisational bodies they were related with. The JAC ICT Lead asked if there was any relationship between Gwent Police and the Cardiff City Council, as this would need to be declared due to an interest she had submitted. The ACOR agreed to review and confirm if there was a relationship between the Force and Cardiff City Council in the context of the Statement of Accounts and materiality.</p>	<p>ACOR</p>
<p>The Chair advised us that following the JAC Training Day, JAC members in attendance were assured they were following best practice, particularly in relation to the scrutiny of the Statement of Accounts.</p>	
<p>The JAC members congratulated all involved for their work on preparing the Statement of Accounts.</p>	
<p>The ACOR reiterated that the £4m 2021/22 surplus, was primarily a consequence of the impact of the Operation Uplift programme due to timing issues with funding being received in advance, which meant all of the funding would not be spent until the full establishment of officers and staff had been recruited. In addition, Covid had affected service productivity, the delivery of Capital and Revenue Programmes and caused issues with supply chains.</p>	
<p>The ACOR informed us there was work to do in order to manage the £9m forecast deficit over the following 5 years. Overtime expenditure remains a challenge for the Force and although officer and staff numbers have grown, overtime expenditure had not reduced (still at circa £3m). The introduction</p>	

<p>of the Electronic Time Management system (ETM) in 2021/22 was expected to have assisted the Force with decreasing the levels, however, there may also be a cultural issue and more work is needed in this area to ascertain the cause. Line Managers were now in a position to monitor if overtime was necessary in real-time and to authorise overtime if other resources were not available. However, the ACOR assured us that in some areas of work the overtime was justified; executed for policing purposes; and good value for money in terms of the outcomes. Overtime had also been used to cover vacancies in areas such as Police Custody.</p> <p>JAC asked what culture issues had been identified and the ACOR confirmed there was disproportionate overtime in certain departments at certain times. ETM has produced 12 months worth of data to assist with identifying patterns of behaviour and the Force were conducting work to identify the issues in order to implement the appropriate action.</p>	<p>Action</p>
<p><u>13. OUTSTANDING AUDIT INSPECTION RECOMMENDATIONS</u></p>	
<p>We received and noted the Outstanding Audit Inspection Recommendations report.</p> <p>The ACOR advised us there were 2 TCBC outstanding audit actions on the exception log report for the Force.</p> <p>The Memorandum of Understanding (MOU) re-write had been outsourced by TCBC's People Services for completion. We were assured there was no risk to the Force, as the old MOU was undertaken by the Force on behalf of the SRS partnership and it still stands.</p> <p>The Identity Access Management servers were to be tested as part of an audit by the end of the year as part of a live exercise.</p> <p>The ACOR apologised for the lateness of the TIAA report. We noted there were 3 outstanding audit recommendations requiring an extension.</p> <p>A review of ETM was to be undertaken to compare overtime spend from pre ETM/prior to the onset of Covid until now. The ACOR has kept the action open until the aforementioned investigations have been conducted. An extension has been requested to the 1st August 2022.</p> <p>Human Resources plan to conduct a review of the Absence Management policy, however, as it was not due for renewal yet and other policies have to take priority, an extension was requested to 31st December 2022. JAC members noted the recommendation was a priority 3 and acknowledged that there needed to be an element of flexibility however, it was suggested the dates should be realistic from the outset.</p> <p>The policy and procedure was being reviewed in relation to Estate Planned and Reactive Maintenance. Although arrangements were in place, the policy required updating, as there was a new team in place.</p>	

<p>The JAC members asked if the extensions were secondary or third extension requests. The ACOR advised they were not.</p>	<p>Action</p>
<p><u>14. DRAFT JAC ANNUAL REPORT INCLUDING – TOR COMPLIANCE, SELF-ASSESSMENT RESULTS 21/22, PROPOSED SELF-ASSESSMENT ACTION PLAN FOR THE COMING YEAR</u></p>	
<p>We received and noted the Draft Joint Audit Committee Annual Report, including the Terms of Reference Compliance and Self-Assessment Results 2021/22 and the Proposed Self-Assessment Action Plan for the coming year. We discussed the Deep Dive Topics for 2022/2023 and agreed the following:</p> <ul style="list-style-type: none"> • July 2022, People Services Strategy • September 2022, Environmental and Social Governance • December 2022, All Aspects of Forensics • March 2023, Value for Money Profiles/Roads Policing • June 2023, Income Generation <p>Although it was acknowledged that the self-assessment was a tool for assessing effectiveness of the JAC, the Chair suggested it would be beneficial to review the effectiveness against the 8 areas referenced within the Influential Audit Committees Support document provided by CIPFA on the JAC Training Day. The JAC Annual report would be updated accordingly, provided time allowed within the given timeframe.</p> <p>TIAA advised us that the National Audit Office produced an effectiveness assessment tool that may be useful and agreed to forward the document for circulation to JAC members.</p> <p>JAC members agreed the self-assessment process had enabled them to address the areas they had raised through the process and the positive responses within the self-assessment reflected that.</p> <p>We discussed the new Self-Assessment Action Plan and agreed that the expected outcomes would be amended to reflect any changes following the review the JAC's effectiveness, against 8 areas in the Influential Audit Committees Support document.</p>	<p>CHAIR</p> <p>TIAA/GO</p> <p>CHAIR/ HOAC</p>
<p><u>15. FORCE GIFTS AND HOSPITALITY PROCEDURE</u></p>	
<p>We received and noted the Force Gifts and Hospitality Procedure.</p> <p>The ACOR welcomed any questions and there were no comments received in relation to the paper.</p>	
<p><u>16. FORCE ANTI-FRAUD AND CORRUPTION POLICY</u></p>	
<p>We received and noted the Anti-Fraud and Corruption Policy.</p>	

<p>JAC members noted a substantial amount of detail contained in the report related to Gifts and Hospitality and asked if the report should be cross referenced with the Gifts and Hospitality Policy, or if it was feasible to merge the two policies. The ACOR advised us that he would refer the matter to the Professional Standards Department for consideration.</p>	<p>Action</p> <p>ACOR</p>
<p><u>17. TREASURY MANAGEMENT STRATEGY ANNUAL REPORT 2021/22</u></p>	
<p>We received the Treasury Management Strategy Annual Report 2021/22.</p> <p>The CFO informed us of the key areas within the report.</p> <p>There was no borrowing in 2021/22, but there would be a requirement to borrow at the end of 2022/23 or early 2023/24, to ensure there was sufficient funding for the Estate Strategy implementation, particularly given the increase in inflation.</p> <p>We noted the small amounts received through investment income were in excess of the benchmark SONIA rate.</p> <p>There was a breach on the 24th March 2022, due to the fault of a Counterparty not repaying a £3m loan on the day it was due. The Counterparty were reminded of the timeliness of repayment and subsequently accepted liability and paid the overdraft charge. As a result of a previous breach, mitigating measures were put into place whereby the Finance Team would make a telephone call to remind the counterparty of their repayment on the day it was due. The Counterparty have been advised that following the phone call, should the repayment not be received, further investment funds would not be released until repayment had been received.</p> <p>JAC asked why the Force were lending to the Counterparty, if they had breached repayment dates on two separate occasions. The CFO explained that it was difficult to find Counterparties who were interested in loans and the Counterparty in question (who were also a public body and therefore low risk of default) were willing to pay higher interest for the loan. However, the CFO explained that as this was a secondary breach he would reflect on the decision and advise JAC of the outcome.</p>	
<p><u>18. EXTERNAL FUNDING AND INCOME GENERATION STRATEGY</u></p>	
<p>We received and noted the External Funding and Income Generation Strategy.</p> <p>The aim of the Strategy is to provide a clear and ethical approach for maximising income generation, beyond core Government Grant and Precept funding.</p> <p>An External Funding and Partnership Manager was appointed in August 2021 within the Continuous Improvement Team. The new Strategy</p>	

<p>recurrent budget to supplement capital financing costs, in order to reduce future borrowing. However, Precept funding and Government Grant was now being utilised further to pay for capital items, and this was taken into consideration by the PCP when considering the proposed level of Precept for 2022/23. A revised Estate Strategy was in the process of being written and would be completed by the end of this summer once all stakeholders had been consulted.</p> <p>JAC asked if the revision was likely to lead to revisiting the Hub and Spoke Model element of the Strategy. The CFO confirmed it would not be revisited, as the model itself was working, but the narrative may be revised to ensure stakeholders understood the context behind it.</p> <p>The PCC emphasised the importance of considering affordability, particularly given the increase in the cost of living. Although this was usually a matter of course, it was of even greater importance this year and the decision making process in relation to the level of Precept must be clear.</p> <p>The PCC advised us there was an ongoing campaign in relation to the devolution of the Criminal Justice System to the Welsh Government, in order to provide the best possible service to the people in Wales. The UK Government have confirmed it is a political decision and there has been no movement on the matter.</p> <p>Performance data for 999 calls has been introduced by the UK Government to meet objectives within their Beating Crime Plan. However, the data on the times taken to answer calls would be provided by British Telecom (BT) and there will be a need to provide narrative for calls diverted from other Forces, as there is an overflow call facility between South Wales and Gwent whereby 999 calls are taken by the other Force, if all operators are busy. The BT timings will be taken from when the caller receives a response directly from an operator. Performance data will also be collated for 101 calls in the future, once the parameters have been determined.</p> <p>The PCC confirmed the Force and OPCC were working closely with the WG on Violence Against Women and Girls, Domestic Abuse and Sexual Violence and Gwent Police have developed their own policy whilst taking into consideration the National Police Chief's Council and WG Policies.</p> <p>The WG announced their Anti-racist policy this week and the PCC confirmed the Force were undertaking work in this area.</p> <p>We discussed JAC meeting dates for 2023 and agreed the GO would email JAC members to confirm their attendance outside of the meeting.</p>	<p>Action</p> <p>GO</p> <p>CFO</p> <p>GO</p>
<p><u>20. ANY RELEVANT REPORTS FROM OTHER ORGANISATIONS THAT SHOULD BE BROUGHT TO THE ATTENTION OF THE JOINT AUDIT COMMITTEE</u></p>	

