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**JOINT
ANNUAL GOVERNANCE STATEMENT
2022/2023**

**THE POLICE AND CRIME COMMISSIONER FOR GWENT
AND
THE CHIEF CONSTABLE OF GWENT POLICE**

INTRODUCTION

The purpose of this Annual Governance Statement (Statement) is to explain how the Police and Crime Commissioner (Commissioner) and the Chief Constable of Gwent have complied with their joint Manual of Corporate Governance (MoCG) during 2022/23 and in particular, the Code of Corporate Governance therein.

To this end, the Statement is written in two parts. Part one describes the governance arrangements in place during 2022/23. Part two reports on the review of the effectiveness and the outcomes of these arrangements.

This Statement assesses the governance arrangements in place during the 2022/23 financial year, so the entirety of the assessment period will be considered alongside the wake of the Coronavirus pandemic. Furthermore, the conclusion of the Statement, on whether or not the governance arrangements are fit for purpose, should generally reflect normal operations, i.e. to avoid assessing the elements of the governance and control systems which were paused/amended, as a matter of operational necessity as a result of the pandemic or any other factor affecting normal operations. However, as the Statement must be current at the time of its publication (normally the 31st July but this may be delayed as a result of other factors), any impact on the Governance arrangements from the 1st April 2023 up to the publication date will be reflected.

PART ONE

SCOPE OF RESPONSIBILITIES

The Commissioner and Chief Constable's governance arrangements are designed to ensure appropriate accountability and to assist effective leadership. The Police Reform and Social Responsibility Act 2011 created two separate 'corporations sole' within each police force area: the Commissioner and the Chief Constable. They each have clear and separate roles and responsibilities set out in statute.

The core statutory functions of the Commissioner for Gwent Police are to secure the maintenance of the police force; ensure that the force is efficient and effective; and hold the Chief Constable to account for the exercise of her functions and the functions of persons under her direction and control. The Commissioner also has:

- Responsibility for the delivery of community safety and crime reduction;
- The ability to make crime and disorder reduction grants within the force area;
- A duty to ensure that all collaboration agreements with other Commissioners and forces deliver better value for money or enhance the effectiveness of policing capabilities and resilience; and
- A wider responsibility for the enhancement of the delivery of criminal justice locally.

Overarching these functions is a responsibility for ensuring business is conducted in accordance with the law and proper standards; that public money is safeguarded and properly accounted for; and that it is used economically, efficiently and effectively.

The operational independence of the Chief Constable is protected in legislation. She has a statutory responsibility for the control, direction and delivery of operational policing services provided by the Force. The Chief Constable is responsible for ensuring that police powers are exercised in accordance with the law and proper standards and is accountable to the Commissioner for the delivery of efficient and effective policing; management of resources; and expenditure by the police force.

In discharging their overall responsibility, the Commissioner and Chief Constable are also responsible for putting in place proper arrangements for the governance of affairs and facilitating the exercise of their functions. This includes ensuring a sound system of internal control is maintained throughout the year and that arrangements are in place for the management of risk.

The financial management arrangements conform principally with the governance requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) *Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and Chief Financial Officer of the Chief Constable* and the Home Office *Financial Management Code of Practice for the Police Service of England and Wales (new version issued in July 2018)*. Revised guidance for 'Delivering Good Governance' for Policing Bodies was also published by CIPFA in July 2016, which has been supplemented by CIPFA guidance in February 2021 on the 'Application of the Good Governance Framework 2020/21', in response to the impact of the Coronavirus pandemic on governance. Furthermore, CIPFA's Financial Management Code (FM Code) provides guidance for good and sustainable financial management in Local Authorities (including police) and will provide assurance that authorities are managing resources effectively. The first full year of compliance with the FM Code was 2021/22, but the Commissioner and Chief Constable recognised that their organisations would need time to reflect on the contents of the FM Code and therefore used 2020/21 (the 'shadow year') to demonstrate how they are working towards compliance. Existing and future financial management governance arrangements have therefore been taken into account, both in reviewing our governance arrangements and in preparing this Statement.

OFFICIAL SWYDDOGOL

This Statement meets the requirements of the Accounts and Audit (Wales) Regulations 2014 in relation to the publication of a Statement which must accompany the Statement of Accounts.

This is the fifth time that the Commissioner and Chief Constable have jointly produced a single Statement. Much of the governance framework is shared, but this Statement highlights the few areas where governance arrangements necessarily differ with no adverse impacts on overall effectiveness.

PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems, processes, culture and values that the Commissioner and Chief Constable use to direct and control their activities, and to engage with and be accountable to the community. The framework enables them to influence and monitor the achievement of strategic Policing and Crime Reduction objectives and to consider whether those objectives have delivered the Police and Crime Plan in an efficient and effective manner.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can only provide reasonable and not absolute assurance of its effectiveness.

The system of internal control is based on an on-going process designed to:

- Identify and prioritise the risks to the achievement of policies, aims and objectives;
- Evaluate the likelihood of those risks being realised and the impact should they be realised; and
- Manage risks effectively, efficiently and economically.

The findings of the review of the system of internal control are reviewed by the Commissioner and the Chief Constable and independently reviewed by the Joint Audit Committee (JAC).

The Commissioner and the Chief Constable will formally approve any changes to the MoCG and framework on an annual basis as part of the governance review.

PRINCIPLES OF GOOD GOVERNANCE

The Policing Protocol Order 2011 (as amended in 2023) requires the Commissioner and the Chief Constable to adopt and abide by the Nolan Principles for Conduct in Public Life. It also highlights the expectation that the relationship between all parties will be based upon the principles of goodwill, professionalism, openness and trust.

This is reflected in the Principles of Relationship document agreed by the Commissioner and the Chief Constable, which forms part of their MoCG.

The MoCG is also consistent with the seven core principles of good governance, set out in the International Framework for Good Governance in the Public Sector¹: -

1. *Behave with integrity, demonstrating strong commitment to ethical values and respecting the rule of law;*
2. *Ensure openness and comprehensive stakeholder engagement;*
3. *Define outcomes in terms of sustainable economic, social and environmental benefits;*
4. *Determine the interventions necessary to optimise the achievement of the intended outcomes;*
5. *Develop the entity's capacity, including the capability of its leadership and the individuals within it;*
6. *Manage risks and performance through robust internal control and strong public financial management; and*
7. *Implement good practices in transparency, reporting and audit to deliver effective accountability.*

The Code of Ethics issued by the College of Policing introduced two additional principles to the seven Nolan principles: Fairness and Respect (see the 'extended' Nolan Principles as set out below).

The Nolan Principles refer to Leadership in terms of promoting and supporting the principles of Conduct in Public Life, but the Commissioner and the Chief Constable are explicitly committed to providing a robust, timely and caring response to events that affect the public and our communities. This is reflected in a clear statement in the Police and Crime Plan for 2021 - 2025 "Making Gwent a Safer Place to Live and Work", the priority given to keeping neighbourhoods safe; to combatting serious crime; supporting victims and protecting the vulnerable; and to working with local partner agencies in the public interest.

Selflessness: Decisions will be taken solely in terms of the public interest, and not for personal financial or other gain, whether for such person, their family or their friends.

Integrity: The Commissioner, the Chief Constable, their officers and staff will not place themselves under any financial or other obligation to outside individuals or

¹ International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014)

organisations that may seek to influence them in the performance of their official duties.

Objectivity: In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, the Commissioner, the Chief Constable, their officers and staff will make choices on merit.

Accountability: The Commissioner, the Chief Constable, their officers and staff will be accountable for their decisions and actions to the public and will submit themselves to whatever scrutiny is appropriate.

Openness: The Commissioner, the Chief Constable, their officers and staff will be as open as possible about all decisions and action they take. Reasons for decisions will be made available and information will be restricted only when so required by the wider public interest.

Honesty: The Commissioner, the Chief Constable, their officers and staff will have a duty to declare any private interests relating to public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership: The Commissioner, the Chief Constable, their officers and staff will promote and support these principles through leadership and by example.

Fairness: The Commissioner, Chief Constable, their officers and staff will act with fairness and impartiality.

Respect: The Commissioner, Chief Constable, their officers and staff will act with self-control and tolerance, treating members of the public and colleagues with respect and courtesy.

GOVERNANCE ARRANGEMENTS

This governance framework aims to provide a strong focus on the drivers for delivering policing objectives within Gwent Police, and to ensure that there is a clear 'line of sight' between decisions taken and the Police and Crime Plan. The key elements of the framework are:

Manual of Corporate Governance

The Commissioner and the Chief Constable have in place a joint MoCG. The MoCG includes a Scheme of Delegation, Financial Regulations, the Principles of Relationships and Standing Orders relating to contracts. It also includes a decision-making framework which ensures that, where possible, all the Commissioner's decisions are published and available for public scrutiny.

Principles of Relationships

This document recognises the Chief Constable's operational responsibilities, within the policy and accountability framework set by the Commissioner. The Principles enable the Commissioner to pursue his policy intentions through the operational plans for the Force and the accountability of the Chief Constable for their delivery. Notwithstanding their formal 'corporations sole' status, the relationship between the Commissioner and the Chief Constable is based on working together for the benefit of the people of Gwent under the joint banner of 'Gwent Police'.

The Principles also specify that the relationship between the Commissioner and Chief Constable will be built on trust, confidence and transparency. The governance arrangements adopted are consistent with the need to ensure accountability both between the parties and also accountability to the public. A transparent and auditable approach has been adopted which remained valid in 2022/23.

Board Assurance Framework

The development of a Board Assurance Framework (BAF) was first recommended by Internal Audit in 2017, in order to highlight the impact of organisational risks on the delivery of the Police and Crime Plan objectives and to explain how these risks could be mitigated.

Following extensive research across public bodies and considering further findings from Internal Audit reviews, work started to establish how a BAF could be developed to support the Office of the Police and Crime Commissioner for Gwent (OPCC), the Force and also provide reassurance to the JAC. As an initial design, it was agreed that the BAF would consider the discharge of statutory functions and determine whether or not these were being met.

The BAF therefore originally considered the statutory functions of both the Commissioner and Chief Constable contained within the MoCG's Scheme of Delegation, which highlights areas of responsibilities for senior officers of both

organisations and also areas from the forward work plan for both the Strategy and Performance Board (SPB)² and JAC.

During 2022/23 however, further work has been undertaken on the BAF, mapping governance arrangements (using the 'three lines of defence' model³ against six key enablers and outcomes (including the statutory functions above) which would demonstrate the delivery of corporate objectives. Once mapped, the effectiveness of each level of governance for each enabler/success factor is rated and an action plan developed.

The latest BAF was presented to the JAC Chair and Lead member for Risk in February 2023 and the positive comments received which will continue to drive the evolution of the BAF throughout 2023/24.

The BAF's current and future action plan will be monitored annually by the JAC, to provide reassurance that any material gaps and risks identified in respect of a failure to discharge statutory duties are being addressed. Internal governance arrangements have been agreed and the action plan will be monitored on a quarterly basis at the Strategic Planning Group. A Single Point of Contact (SPOC) has also been appointed for both the OPCC's and the Force's actions, to ensure the BAF is updated and to ensure progress is made in between meetings. It is currently proposed that the overall BAF document is reviewed every four years following a Commissioner election, to determine whether any new areas of risk have been identified.

Financial Management Code (FM Code)

As highlighted above, in October 2019 CIPFA published its FM Code. The FM Code is designed to support good practice in financial management and to assist Local Authorities (and other designated bodies such as Policing) in demonstrating their financial sustainability. The FM Code therefore for the first time sets the standards of financial management for a number of public bodies.

A key goal of the FM Code is to improve the financial resilience of organisations, by embedding enhanced standards of financial management. Inevitably, the impact of the Coronavirus pandemic has tested that financial resilience since 2020/21 and may continue to do so in coming years. For this reason, the implementation of the FM Code in the shadow year was a critical task. There are clear links between the FM Code and the Governance Framework, particularly with its focus on achieving sustainable outcomes.

The Statement for 2022/23 includes the overall conclusion of an assessment of Gwent Police's compliance with the principles of the FM Code. Where there are outstanding matters or areas for improvement, these will be included in the action plan at Part 2 of this Statement. The six Principles of the FM Code which will be assessed are:

² SPB is the decision-making forum for the Commissioner and is the primary forum at which the Commissioner will hold the Chief Constable to account.

³ The

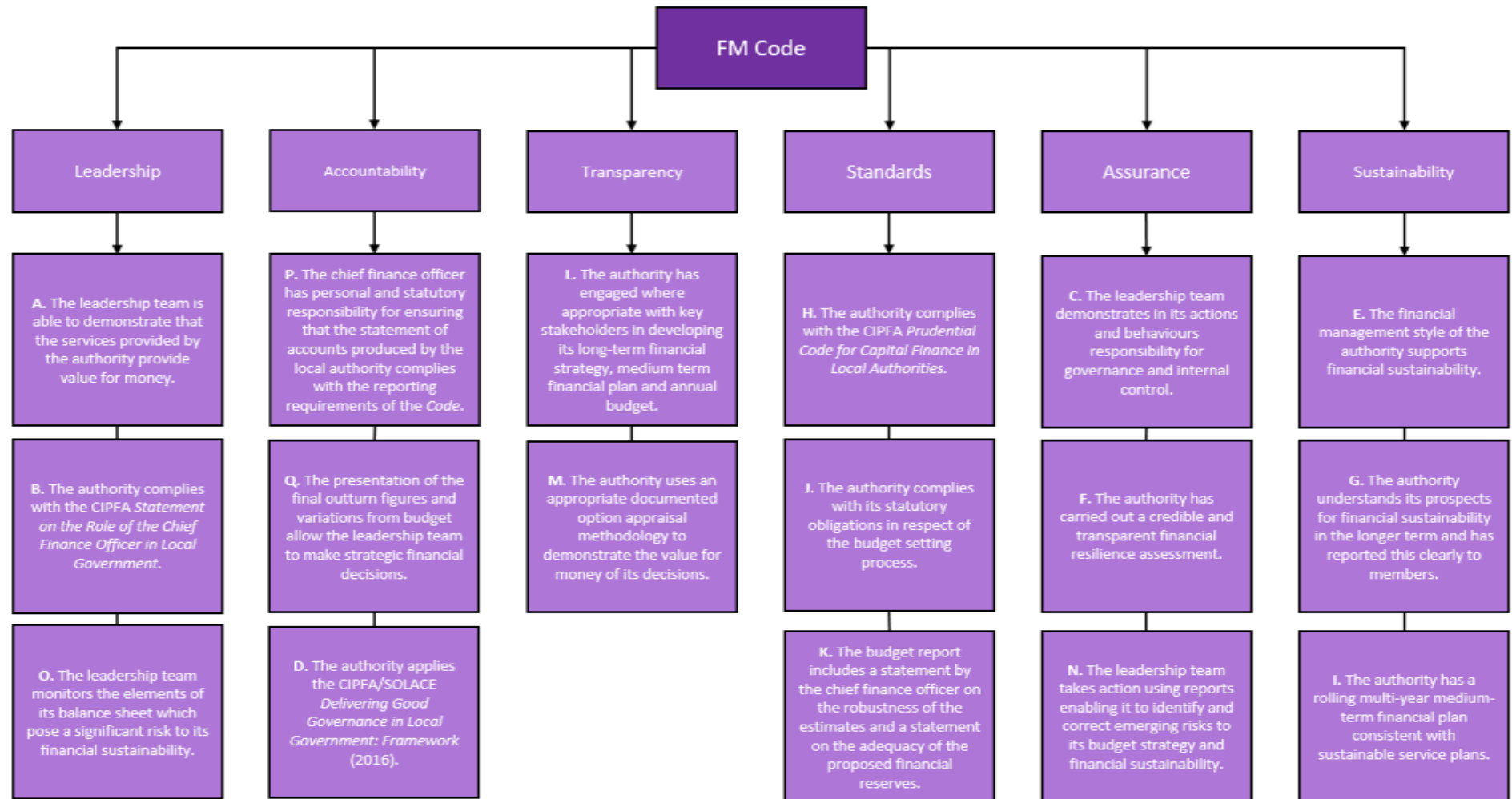
1. *Organisational **Leadership** – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.*
2. ***Accountability** – based on medium-term financial planning that drives the annual budget process supported by effective risk management, quality supporting data and whole life costs.*
3. *Financial management is undertaken with **transparency** at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and elected member decision making.*
4. *Adherence to professional **standards** is promoted by the leadership team and is evidenced.*
5. *Sources of **assurance** are recognised as an effective tool mainstreamed into financial management, including political scrutiny and the results of external audit, internal audit and inspection.*
6. *The long-term **sustainability** of local services is at the heart of all financial management processes and is evidenced by prudent use of public resources.*

Gwent Police is required to adhere to these principles. To enable Gwent Police to test their conformity with the CIPFA Principles of Good Financial Management, the FM Code translates these principles into seventeen financial management standards across seven sections of the FM Code. These financial management standards will have different practical applications according to the different circumstances of each relevant public body.

Sections 1 and 2 of the FM Code (containing standards A to E) address important contextual factors, which need to be addressed in the first instance if sound financial management is to be possible. The first deals with the responsibilities of the Chief Finance Officer and leadership team, the second with the organisation's governance and financial management style.

The remaining Sections 3 to 7 (containing standards F to Q) address the requirements of the financial management cycle, with Section 3 stating the need for a long-term approach to the evaluation of financial sustainability. To make well informed decisions all these elements of the cycle need to be fit for purpose. The development of a high-quality long-term financial strategy will not itself achieve financial sustainability if, for example, the organisation's annual budget setting process (Section 4); stakeholder engagement and business cases (Section 5); and performance monitoring arrangements (Section 6) are inadequate. The cycle is completed by Section 7, which shows how high-quality financial reporting supports the financial management cycle, by ensuring that it rests on sound financial information.

The seventeen standards applied across the six principles are produced below:



Governance Framework

As reported in the 2018/19 Statement, a review was undertaken in 2018 and this concluded that the principles of collaboration (as set out in the Principles and in the MoCG) would be best reflected through the establishment of a new meeting and reporting structure for the Chief Constable, aligned to the delivery of the Police and Crime Plan, addressing both performance and delivery issues.

The Scrutiny Executive Board (chaired by the Deputy Chief Constable) feeds into the monthly Chief Officer Team meeting and ultimately into the quarterly SPB.

In addition, issues from the Joint Strategic Planning Group continue to be reported to both the Chief Officer Team meeting and to the Commissioner's SPB. These two Boards also collate recommendations from other meetings such as the JAC, Independent Ethics Committee and Estate Strategy Board.

Collaborative activities with other police forces, partners and All Wales groups have their own governance boards that consider strategic, operational delivery and resourcing issues. The key proposals and decisions from these collaborative boards are considered at the appropriate executive, scrutiny and/or thematic governance board within the existing governance meeting structure within Gwent Police.

This governance meeting structure has since been reviewed annually to make some further changes to the same and the diagram below sets out the revised meeting structure within the Force and between the OPCC. The governance of Gwent Police continues to be reviewed with the intention of introducing a new meeting structure in 2023/2024.

The colour key to the diagram is as follows:

Green	Executive Boards;
Orange	Scrutiny Meeting;
Light Blue	Thematic Governance Boards;
Yellow	Departmental Meetings and sources of update that feed into Governance Boards; and
Grey	OPCC Meetings and independent Boards and bodies which impact the Governance Structure and contribute to the governance arrangements.

Gwent Police Governance Structure



- All Wales Collaboration
- Internal / External Audit
- Independent Advisory Group
- Joint Audit Committee
- Gold Groups
- External Ethics Group

Strategy & Performance
(PCC)

Chief Officer Team
(CC)

Scrutiny Executive Board
(DCC)

OPCC Meetings:
 - Strategic Planning Group
 - CC/PCC Weekly Meeting
 - CC/Chief Exec Monthly Meeting
 - Estates Strategy Board (Fed by Estates Implementation Group)

- Learning the Lessons

V14.5
07.04.2022

Culture Board –
Quarterly
(CC)

Operational Performance (ACC)	Organisational Resources (ACO-R)	Victims – Quarterly (ACC)	People Strategy (HoPS)	Assurance Board – Quarterly (DCC)	Covid Recovery Board (ACC)	Service Improvement Board (DCC)	Legitimacy Board – Bi-monthly (DCC)
<ul style="list-style-type: none"> East LPA & West LPA Vulnerability FPOC & Crime Data Coercive Powers Scrutiny JSIU Hate Crime Custody Criminal Justice Crime Prevention SOC SPRG JFU Citizens in Policing Neighbourhood Policing CDI Working Group VAWG 	<ul style="list-style-type: none"> Uniform User Business Continuity Fleet Estates Implementation Group Shared Facilities Health & Safety Information Assurance ICT Data Performance Procurement Joint Legal Services Information Assurance Greener Gwent Finance & Capital Strategy Income Tracker (Grants & Funding) 	<ul style="list-style-type: none"> Victims Care Working Group 	<ul style="list-style-type: none"> Workforce Resource Learning & Development Absence & Wellbeing Welsh Language Ethics Committee Op Hampshire Staff Networks <p><i>Closed session: Intervention & Diversion : DCC HoPS H of PSD</i></p>	<ul style="list-style-type: none"> Investigations Standards Board (ACC) 		<ul style="list-style-type: none"> Project Management DSD Continuous Improvement Futures Group Product & Efficiency Funding & Partnerships Safer Streets Corporate Comms 	<ul style="list-style-type: none"> Diversity & Inclusion

PART TWO

REVIEW OF EFFECTIVENESS

The Commissioner and Chief Constable have responsibility for conducting, at least annually, a review of the effectiveness of their respective governance framework including the system of internal control. The review of effectiveness is informed by:

- The work of Chief Officers and senior managers who have responsibility for the development and maintenance of the governance environment;
- The Board Assurance Framework (BAF);
- The Internal Audit annual reports;
- The annual report of the JAC;
- The view of the external auditor through the annual audit letter; and
- Reports from other review inspectorates.

There are, accordingly, three principal lines of assurance:



It is important to note that this Joint Statement and the work undertaken in its preparation, is a tool in the self-evaluation by the Commissioner and the Chief Constable of their governance arrangements.

The Statement is submitted for consideration to the Joint Strategic Planning Group and the JAC, before being approved at the Commissioner's SPB. Audit Wales (AW)⁴ also reviews the Statement during its development and reports (by exception), if the Statement does not comply with requirements, as part of their Audit Report.

The roles of the various bodies are detailed below:

Joint Audit Committee (JAC)

In conjunction with the Chief Constable, the Commissioner established an independent JAC which provides assurance to enhance public trust and confidence in the governance of the Commissioner and the Chief Constable.

This approach is consistent with the Financial Management Code of Practice which states that such a combined body should consider the internal and external audit reports of both the Commissioner and the Chief Constable. The JAC also considers reports from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) in relation to the annual Value for Money Profiles and other relevant reports of a non-operational nature. The JAC advises the Commissioner and the Chief Constable according to good governance principles and provides:

- Independent assurance to the Commissioner and the Chief Constable regarding the adequacy of the risk management framework and the associated control environment;
- Independent scrutiny of the Chief Constable's and the Commissioner's financial performance; and
- Oversight in relation to the financial reporting process adopted from the CIPFA Audit Committees Practical Guidance for Local Authorities.

The JAC provides comments, advice and assurance on matters relating to the internal control environment of the Force and the OPCC. It also has oversight of general governance matters. The JAC has specific responsibility to provide independent assurance on the arrangements for governance, including risk management and the internal control environment. During 2022/23, the tenure of two JAC members came to an end and two new members were duly appointed by the Commissioner and the Chief Constable to act as independent advisers. In order to provide handover however, one departing JAC Member who leads on the Statement of Accounts will remain on the Committee, until the receipt and scrutiny in July 2023 of the draft 2022/23 Statement of Accounts. Therefore, the JAC will be composed of six individuals for a period of time before returning to its normal establishment of five independent advisers.

⁴ Audit Wales is the trademark of two legal entities; the Auditor General for Wales and the Wales Audit Office. The Auditor General audits and reports on Welsh public bodies; and The Wales Audit Office provides staff and other resources for the Auditor General's work, and monitors and advises the Auditor General.

The JAC reports directly to the Commissioner and the Chief Constable. Four formal quarterly committee meetings are held each year in addition to an exceptional meeting to consider the Statement of Accounts and also two All-Wales Training Days for JAC members – one to receive formal training input and one informal to discuss related matters amongst the four Welsh JACs .

The JAC has formal terms of reference covering its core functions and these are also set out in the joint MoCG (which are both reviewed annually). These include reference to the JAC's role in respect of the corporate governance arrangements and in maintaining an overview of the regulatory framework. The JAC's terms of reference were reviewed and comprehensively revised during 2019/20 in response to the publication of CIPFA's 'Audit Committees: Practical Guidance for Local Authorities and Police 2018 Edition'. JAC's terms of reference have been further updated following publication of CIPFA's 'Audit Committees: Practical Guidance for Local Authorities and Police 2022 Edition'. The Commissioner and Chief Constable are both represented at all meetings of the JAC.

The JAC Annual Report for 2022/23 confirmed that the JAC remains satisfied that the Commissioner and the Chief Constable can be assured that their control, risk and governance position for 2022/23 was appropriate. In doing so the JAC continues to draw attention to the opportunity to seek greater assurances in respect of Collaboration Projects risk and control position on a prospective basis.

Independent Ethics Committee:

This was jointly established by the Commissioner and the Chief Constable in April 2015, following the introduction of the Code of Ethics by the College of Policing in 2014. It is comprised of a minimum of five independent members as well as a representative of the OPCC, Force's Chief Officer Team, police officers and police staff. The Independent Ethics Committee provides advice, support and assistance concerning ethical challenges arising from operational, administrative or organisational matters facing Gwent Police. The Code of Ethics has remained unchanged since 2014, however the College of Policing is due to publish a revised version of the Code of Ethics in late 2023; the OPCC, Chief Officers, and members of Gwent Police Ethics Committee have shared their views with the College via the formal consultation process.

As noted in the action plan further in this Statement, the membership of this external Independent Ethics Committee was reviewed during 2020/21, which has since concluded. Linked to this review, the Chief Constable pledged to set up an internal Ethics Committee. In October 2021, the inaugural Internal Ethics Group meeting took place, recognising that the external Independent Ethics Committee itself has limited ability to impact the extent to which the wider workforce complies with and adheres to the Code of Ethics. The internal group is looking to bridge this gap. This group will be supported by a Delivery Plan to ensure the Aims and Objectives of the group are met.

Internal audit

Internal audit performs a range of reviews based on an agreed audit plan and in compliance with Public Sector Internal Audit Standards (PSIAS). The audit plan has regard to the Risk Register and recognises that key financial systems and other areas

of wider business risk, need to be reviewed on a cyclical basis, to provide assurance with regard to internal controls and systems for governance. The plan is agreed by the Chief Finance Officers of both corporations sole and is presented to the JAC for comment.

Regulation 5 of the Accounts and Audit (Wales) Regulations 2014 makes provision in respect of the internal control system that should be maintained in accordance with proper internal audit practices. The responsibility for the maintenance of an efficient internal audit function rests with both corporations sole (the Commissioner and Chief Constable). The role and standards of Internal Audit are defined in the PSIAS. The PSIAS encompasses the definition of Internal Auditing, a Code of Ethics and the International Standards for the Professional Practice of Internal Auditing. Internal Audit is required to provide an assurance opinion on the adequacy and effectiveness of systems of internal control. They also provide assurance in relation to the management of financial and operational business risks, corporate governance and the entire control framework.

The review of both the corporate governance and risk management arrangements (which are captured in the joint Risk Register maintained by the Chief Constable and the Commissioner) periodically feature in the annual audit plan. Corporate governance and risk management issues may also arise through other reviews carried out by Internal Audit. In these cases the issues will be dealt with initially in the relevant audit report.

Internal Audit then present their reports on the adequacy of controls in the systems audited to the JAC, setting out any areas of concern. The JAC will then monitor the implementation of the audit recommendations, until fully completed.

Internal Audit Work During 2022/23

The internal audit work for the last year was risk based and focused on significant financial and operational risks. The incumbent internal audit service for the Commissioner and Chief Constable are TIAA, following their reappointment from 1st April 2019.

However, by virtue of the Commissioner and Chief Constable being members of the Shared Resource Services (SRS), for the delivery of Information Communication Technology (ICT) services, in collaboration with Torfaen County Borough Council (TCBC), Monmouthshire County Council (MCC), Blaenau Gwent County Borough Council (BGCBC) and Newport City Council (NCC), from May 2016, the TCBC internal audit service was selected to undertake the audit plan for the SRS. This was to ensure that a consistent audit approach was adopted across all constituent SRS partners and therefore TIAA were formally advised that they would no longer be expected to provide assurance to the JAC for the ICT services operated by Gwent Police. Progress on the delivery of the internal audit plan for ICT services is reported to the JAC alongside the audit plan delivered by TIAA. Such assurance will be provided by the TCBC internal audit function, to which the AW will refer to in considering the control framework for the ICT functions.

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During 2022/23 TIAA undertook 17 audits (including 9 undertaken collaboratively across Welsh Forces) of which 12 were assessed as providing substantial assurance (12 in 2021/22), 1 with reasonable assurance (6 in 2021/22), 1 with limited assurance (zero in 2021/22) and 3 were advisory with no assessment given.

Uncertainty Management – Mitigating Risk (Collaborative)	Substantial
Expenses and Additional Payments (Collaborative)	Substantial
Payroll (Collaborative)	Substantial
Creditors (Collaborative)	Substantial
Debtors (Collaborative)	Substantial
Fixed Assets (Collaborative)	Substantial
Capital Programme (Collaborative)	Substantial
Counter Fraud – Anti-fraud Procurement (Collaborative)	Substantial
Fleet Management (Collaborative)	Substantial
Social Media	Substantial
General Ledger	Substantial
Service Improvement Board	Substantial
Estate Strategy	Substantial
HR – Use of OLEEO (Collaborative)	Reasonable
Local Policing – Property and Cash	Limited
Data Quality	Advisory
Fleet Management – IR3 Telematics Systems (Collaborative)	Advisory
Contract Management	Advisory

These reports generated 33 (23 in 2021/22) recommendations, of which 4 were urgent (zero in 2021/22), 14 (11 in 2021/22) were considered important and 15 (12 in 2021/22) were categorised as routine.

As part of the audit programme, the internal auditors also carried out 1 follow up audit to check progress against all Priority 1 and 2 Recommendations. This report was discussed at the JAC.

No audits were deferred to 2023/24. The only minor change was the focus of the Fleet Management audit from 'Repairs and Maintenance' to 'IR3 Telematics System'.

TIAA's Annual Opinion was that they were satisfied that sufficient internal audit work has been undertaken to allow them to draw a positive conclusion as to the adequacy and effectiveness of the Police and Crime Commissioner's and the Chief Constable's risk management, control and governance processes. In their opinion, the Police and Crime Commissioner and the Chief Constable have adequate and effective management, control and governance processes in place to manage the achievement of their objectives.

During 2022/23 TCBC undertook 12 audits. The assessments of the 12 audits undertaken confirm that 10 were assessed as providing Full assurance (4 in 2021/22), 1 were assessed as providing Substantial assurance (4 in 2021/22), zero with Moderate assurance (1 in 2021/22), zero with limited assurance (zero in 2021/22) and 1 was 'special/consultancy' with no assessment given.

SOC/SIEM – System	Full
Firewall – System	Full
Virtualisation – System	Full
O365 – System	Full
Data Centre – System	Full
ISMS – Follow up	Full
IT Governance – Follow up	Full
ITSCM – Follow up	Full
Mobile Computing – Follow up	Full
Performance Management – Follow up	Full
Change Management - System	Substantial
Financial Regulation – Special	Advisory

These reports generated 4 recommendations (19 in 2021/22), of which zero were high (zero in 2021/22), 2 were medium (2 in 2021/22) and 2 were categorised as low (9 in 2021/2) and confirms continuing significant improvement on preceding year's audit performance.

TCBC's Annual Opinion was that they were satisfied that sufficient internal audit work has been undertaken to allow an overall opinion to be given as to the adequacy and effectiveness of governance, risk management and control of the SRS's framework of governance. TCBC's Annual Opinion was satisfactory.

This opinion is defined as:

- A limited number of medium risk rated weaknesses may have been identified, but generally only low risk rated weaknesses have been found in individual assignments; and
- None of the individual assignment reports have an overall report classification of either high or critical risk.

External Audit

The Public Audit (Wales) Act 2004 (as amended) appoints the Auditor General for Wales to audit the financial statements of the Commissioner and the Chief Constable. The Act also requires the Auditor General for Wales to assess whether the Commissioner and the Chief Constable have made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

AW, on behalf of the Auditor General for Wales, audit the financial statements of the Commissioner and Chief Constable, as well as the Group accounts and also report (by exception) on the Joint Statement, if it does not comply with requirements.

AW in their annual audit report may also comment on the financial aspects of corporate governance. This includes the legality of financial transactions, financial standing, systems of internal financial control and the standards of financial conduct, fraud and corruption.

Such external audit plans and reports, including the annual audit letter, are considered by the JAC at appropriate times in its annual cycle of meetings.

Both the Commissioner and the Chief Constable have a duty to respond to reports by the external auditor.

Other Bodies

The Welsh Government, Home Office and a number of other bodies require financial returns to monitor expenditure on revenue and capital. Strict terms and conditions are in place to govern additional external funding received from these bodies.

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS/the Inspectorate)

The role of the HMICFRS (which also has Fire Service responsibilities for England only) is to promote the economy, efficiency and effectiveness of policing in England, Wales and Northern Ireland, through inspection of police organisations and functions to ensure agreed standards are achieved and maintained; good practice is spread; and performance is improved. HMICFRS inspects the functions of the Chief Constable, not the Commissioner. It also provides advice and support to the tripartite partners (Home Secretary, Commissioners and Chief Constables).

HMICFRS is independent of the Commissioner, the Chief Constable and the United Kingdom and Welsh Governments. Its remit is to assess the work of police forces in different areas of business, including neighbourhood policing, serious and organised crime, anti-social behaviour and tackling major threats such as terrorism. HMICFRS also actively monitors the performance of the Force in relation to their plans for ensuring the sustainability of an efficient and effective police service. To date, reports

in this area of inspection have been positive and encouraging. Reports are published on the following website:

<https://www.justiceinspectorates.gov.uk/hmicfrs/>

HMICFRS reports are sent to the Chief Constable and the Commissioner for consideration and appropriate action. HMICFRS plays a key role in informing the Commissioner and the public on the efficiency and effectiveness of their forces and, in so doing, facilitates the accountability of the Commissioner to the public.

The Commissioner has a duty in law to respond to any HMICFRS report within 56 days of its publication with any response forwarded to the Home Secretary and HMICFRS. Responses should include an update on any actions the Force are/are not taking, in relation to any recommendations made within the report.

Inspection Work During 2022/23

HMICFRS's reports during 2022/23 supported the monitoring and development of many of the Force's priorities. They also produced a suite of value for money indicators (albeit later than usual due to the historic impact of the Coronavirus pandemic) to challenge areas of exceptional spend, demand and performance, in comparison with Gwent Police's most similar forces. The results of the benchmarks inform the Force's change programme.

During 2022, HMICFRS also carried out their PEEL Inspection (using a combination of in person and virtual inspections as a result of COVID). PEEL assessments allow members of the public to see how well its local force is performing and examine **P**olice **E**ffectiveness, **E**fficiency and **L**egitimacy:

- **Effectiveness:** how well the force carries out its responsibilities, including cutting crime, protecting vulnerable people, tackling anti-social behaviour and dealing with emergencies and other calls for service;
- **Efficiency:** how well the force provides value for money; and
- **Legitimacy:** how well the force provides a service that is fair and treats people properly and within the law.

Gwent Police's PEEL assessment results were published in April 2023 and the graded judgements from the inspection are outlined below:

Outstanding	Good	Adequate	Requires improvement	Inadequate
	Preventing crime	Treatment of the public	Investigating crime	Responding to the public
	Managing offenders	Developing a positive workplace	Protecting vulnerable people	
		Good use of resources		

In 2023, Gwent Police introduced a performance improvement forum with a series of 'fast change improvement plans' to ensure an efficient and effective service to the public at their time of need. This work is primarily focussed on dealing with areas identified both internally and by HMICFRS in this 2021-2022 PEEL inspection report.

Specifically, in relation to the area graded that 'Inadequate', the Force recognises:

- The importance of working closely with communities, with Police Officers and Police Staff understanding how important it is to treat people with fairness and respect. However, it was acknowledged that frontline Police Officers and Police Staff varied in their knowledge of unconscious bias;
- That the workforce understands how and when to use 'Stop and Search', however, the monitoring of the use of 'Stop and Search' needs to improve;
- That more needs to be done to ensure that all members of the workforce are appropriately vetted for the posts they hold. In addition, the monitoring of people who apply for roles needs to be undertaken, to see if they belong to certain protected minority groups; and
- The need to improve how it spots and manages risk of corruption and to ensure it has enough people and resources to do this work.

HMICFRS also undertook a number of national/thematic reviews in 2022/23. Gwent were subject to:

- An inspection into how well the Police and other agencies use digital forensics in their investigations:
 - This inspection examined whether forces and other agencies could manage demand and whether victims of crime were receiving a quality service. The Force was one of eight forces selected for fieldwork which took place in April 2022. This comprised a visit to the Digital Forensics Unit to meet with Police Officers and Police Staff; interviews with service area leads; and focus groups with investigators and front-line Police Officers. The report was published in December 2022 and nine recommendations in total have been issued to Chief Constables, the HO, the NPCC and the College of Policing. The Force was commented on positively in the report with regards to the understanding of current demand;
- Race disparity in Police Criminal Justice decision making:
 - This inspection forms part of the HMICFRS Race and Policing Programme and examined whether there is disproportionality in decision making in the Criminal

Justice System - specifically the following decision points: arrest; voluntary attendance; cautions; community resolution; charge (Police-only decision); and post-charge bail (including the decision to refuse bail). The inspection fieldwork took place in June 2022. The inspection team met with key leads and held focus groups with Police Officers from Response, Neighbourhoods and Investigation Teams as well as Custody Police Officers and Police Staff. In addition, HMICFRS observed a meeting with Criminal Justice Partners (chaired by the OPCC), examined data and documents and conducted a case file review. The report is due to be published in 2023;

- Police response to victims of sexual abuse from ethnic minority backgrounds who may be at risk of honour-based abuse:
 - The Force was selected for fieldwork which took place in April 2022. The inspection team met with Response and Public Protection Unit (PPU) Police Officers and examined key documents in order to investigate concerns made by the Tees Valley Inclusion Project that the Police response to sexual abuse was putting victims from ethnic minority backgrounds at risk of honour-based abuse. The report was published in December 2022 and two recommendations were issued to Chief Constables, which are being taken forward by relevant business leads; and
- Counter Corruption Unit and Vetting:
 - 'Tackling workforce corruption' was removed from the general PEEL (Police Effectiveness, Efficiency and Legitimacy) assessment early in the 2021/22 cycle. The Force's inspection visit took place in December 2022 and examined vetting and Counter Corruption Unit practices. The inspection comprised a case file review; examination of data and documents; interviews and focus groups with Police Officers and Police Staff in the Professional Standards Department; and reality testing in the wider force. The Force received headline feedback at the conclusion of the inspection visit and the final report is due to be published in April 2023.

Police and Crime Panel

The Police and Crime Panel (the Panel) is responsible for supporting the effective exercise of the functions of the Commissioner through reviewing or scrutinising decisions made, or other action taken, by the Commissioner in connection with the discharge of his functions.

The Panel is not there to scrutinise the performance of the Chief Constable and her Force directly – that is the role of the Commissioner.

New guidance was published by the Home Office on 19th May 2022 in relation to the strategic role of Panels. Pursuant to this Guidance, under the heading 'Scrutiny of the Police and Crime Plan and Annual Report' it provided that 'the scrutiny focus of the panel should be pitched at a strategic level and be focused on outcomes, informed by details of performance throughout the previous year.'

The Panel is made up of twelve local Councillors, representing the Local Authorities in Gwent, along with two independent members.

The responsibilities and powers of the panel include:

- Making reports and recommendations about actions and/or decisions of the Commissioner;
- Scrutinising the draft Police and Crime Plan;
- Summoning the Commissioner, and his staff, for public questioning;
- Scrutinising and potentially, by two-thirds majority, vetoing the police budget and council tax precept;
- Scrutinising and potentially, by two-thirds majority, vetoing the appointment of the Chief Constable;
- Holding confirmation hearings for the Commissioner's senior staff (including the Deputy Police and Crime Commissioner, the Chief Executive and the Chief Finance Officer); and
- Dealing with lower level complaints against the Commissioner.

The Panel's agendas and minutes are published on the following website:

<http://www.gwentpcp.org.uk/>

During 2022/23 the work of the Panel included consideration of the following:

- The progress on delivery of the Police and Crime Plan;
- The 2021/22 OPCC Annual Report;
- Scrutiny of OPCC evidence for monitoring Force Performance;
- Presentation on police complaints and reviews;
- Medium Term Financial Projections and the budget setting timetable;
- The Operational Context and Financial Strategy of the Chief Constable's budget bid;
- Precept proposal 2023/24;
- Progress on the Estate Strategy;
- Safeguarding of children in custody;
- Welsh Language Standards Annual Report; and
- Treasury Management Strategy;

There were 5 meetings of the Police and Crime Panel in 2022/23.

ANNUAL ASSESSMENT AND ACTION PLANS

Seven Core Principles of Good Governance

The diagram below shows the relationship between the seven core principles of good governance. The central two principles underpin the whole framework and relate to 'acting in the public interest'. These two principles are implicit in the remaining five which concern 'achieving good governance'.



The assessment of effectiveness undertaken by the Chief Finance Officers of both Corporations Sole along with the Head of Assurance and Compliance within the OPCC, considered the range of evidence available: Internal and externally published material; professional independent opinion; and the views of senior management, the Police and Crime Panel and professional leads. A detailed assessment of the evidence in support of the assessment is maintained, with only the subsequent action plan produced in this Statement.

A summary of the 2021/22 assessment is shown below:

Good Governance Category		Assurance
Acting in the Public Interest	Behaving with Integrity & Ethics	Reasonable
	Openness & Engagement	Reasonable

Achieving Good Governance	Sustainable Outcomes	Reasonable
	Determine Interventions	Reasonable
	Capacity & Leadership	Reasonable
	Risks & Performance	Reasonable
	Transparency & Accountability	Reasonable

Assurance Definitions	
Substantial	All areas reviewed were found to have effective corporate processes and external requirements in place. Behaviours and outcomes were well evidenced and the risks against the achievement of objectives are well managed.
Reasonable	Most areas reviewed were found to have effective corporate processes and external requirements in place. Most behaviours and outcomes were well evidenced and in general, the risks against the achievement of objectives are well managed.
Partial	A number of areas reviewed were found not to have effective corporate processes and external requirements in place. Some behaviours and outcomes were well evidenced, but key risks against the achievement of objectives were not well managed.
None	A significant number of areas reviewed were found not to have effective corporate processes and external requirements in place. Behaviours and outcomes were not well evidenced and risks against the achievement of objectives were not well managed.

2022/23 Action Plan

No significant weaknesses were identified for 2022/23 (as was the case in 2021/22 also); and no further issues identified that have not already been captured in the 2020/21 Action Plan which continue to be addressed below. For completeness however, the following table identifies the data breaches experienced during 2022/23:

Risks and Performance	<p>During 2022/23, the OPCC experienced no data breaches.</p> <p>The Force experienced 62 data breaches during 2022/23 (62 in 2021/22). None of the breaches were considered high risk; therefore there was no requirement for reporting any to the Information Commissioners Office (ICO) – e.g. data breaches</p>	<p>Officers and staff will continue to be reminded of the importance of security of data and the wider requirements and implications of the General Data Protection Regulations (GDPR). There are mandatory National Centre for Applied Learning Technologies (NCALT)</p>
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	<p>are recorded for such things as losing an ID card, mobile phone or 'Body Worn Video' device.</p> <p>38 of the breaches were graded Green (impact on data subject is minima); 16 Amber (subject suffers some damage or distress); zero Red (impact on data subject is significant); and 8 were subsequently classified as 'No breach@ following the conclusion of their assessment.</p> <p>All 62 breaches were assessed and closed with suitable advice given and therefore none remain open.</p>	<p>packages, the completion of which is monitored and promoted through the Information Assurance Board.</p> <p>Details of breaches, impact, mitigation and outcome are recorded and kept by the Record Review Officer (OPCC) and Data Protection Officer (Force) in line with Management of Police Information (MOPI) and GDPR.</p> <p>Appropriate advice is given to individuals or departments where applicable and escalated to the Professional Standards Department if necessary. The Data Incident report is monitored through the Information Assurance Board that details all data incidents reported to the Information Governance department from May 2018, when the EU GDPR came into force.</p>
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Progress against 2021/22 Action Plan

Category	Risk Area/Weakness	Action to be Delivered in 2021/22 and Beyond
Determine Interventions.	Further work required to demonstrate evidence that budgets, service plans and objectives are aligned	The annual budget setting process adopts a 'bottom up' approach, with individual Department/Workstream requirements aligned to the strategic needs of the organisation;

		<p>strategic risks; and national requirements.</p> <p>Furthermore, the Finance Department play a key role in the compilation of the Force Management Statement.</p> <p>In terms of short-term co-ordinated planning, Departmental/Workstream business plans will be developed during 2021/22, which will be incorporated in the 2022/23 budget setting round and Force Management Statement.</p> <p>2021/22 Update: Ongoing – The pilots on Departmental Plans for Finance and People Services are currently being evaluated by the Continuous Improvement Department. Improvements on the process will be incorporated in further pilots/roll-out during 2022/23 for the 2023/24 budget setting round.</p> <p>2022/23 Update: Complete - The full rollout of Departmental plans has been superseded by targeted changes to the governance, processes and enhanced reporting for budget setting, people establishment and performance monitoring that support the Force Management Statement.</p>
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Progress against 2019/20 Action Plan

Category	Risk Area/Weakness	Action to be Delivered in 2020/21 and Beyond
Behaving with Integrity and Ethics; and Capacity and Leadership.	Need to establish the effectiveness of ethical awareness training and the degree it underpins organisational culture. (OPCC and Force)	<p>The Ethics Committee will be tasked with establishing the most appropriate mechanism to determine effectiveness. Its recommended approach will be delivered as an action plan throughout 2020/21.</p> <p>2020/21 Update: Ongoing - an internal Ethics Committee has been set up (chaired by the Chief Constable), which will complement the work of the external Ethics Committee (whose membership is currently under review). The remit of the new internal Ethics Committee will consider the effectiveness of ethical awareness training during 2021/22.</p> <p>2021/22 Update: Ongoing – Ethical Leadership training (and an assessment its effectiveness) will be rolled out during 2022/23.</p> <p>2022/23 Update: Complete - Ethical Leadership has been incorporated as a specific module within the Force's First Line Leaders Programme rolled out in 2022/23 and 2023/24.</p>

Financial Management Code (FM Code)

In the development of the FM Code, CIPFA has considered its ambition; the timescale for implementation; and the wider resource challenges facing relevant public bodies in light of the Coronavirus pandemic. Consequently, CIPFA considered that the implementation date of April 2020 for the FM Code should indicate the commencement of a shadow year and that by 31st March 2021, relevant public bodies (including Gwent Police) should be able to demonstrate that they are working towards full implementation of the FM Code. The first full year of compliance with the FM Code was therefore 2021/22.

As Gwent Police needed to apply the requirements of the FM Code with effect from 1st April 2020, the 2020/21 budget setting process provided an opportunity for assessment of elements of the FM Code before April 2020 and provided a platform for good governance and financial management to be demonstrable throughout 2020/21.

The expectation of the FM Code is that relevant public bodies will have to comply with all the financial management standards, if they are to demonstrate compliance with the FM Code. It is important to note however, that whilst compliance with the CIPFA financial management standards is obligatory, the FM Code is not prescriptive about how this is achieved. This is important as CIPFA recognises that policing has in some respects, different practices from other public bodies such as Local Authorities. It must also be noted that compliance with FM Code has not been subject to audit by AW.

Following two full years of compliance therefore, Gwent Police's 2022/23 assessment against the FM Code's financial management standards is detailed below. A detailed assessment of the evidence in support of the assessment is maintained, with only the subsequent action plan produced in this Statement.

FM Code Sections and Standards		Principle	Assurance
The Responsibilities of the Chief Finance Officer and Leadership Team	The leadership team is able to demonstrate that the services provided by the authority provide value for money.	Leadership	Reasonable
	The authority complies with the CIPFA <i>Statement on the Role of the Chief Finance Officer in Local Government</i> .	Leadership	Substantial
Governance and financial management style	The leadership team demonstrates in its actions and behaviours responsibility for	Assurance	Substantial

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	governance and internal control.		
	The authority applies the CIPFA/SOLACE <i>Delivering Good Governance in Local Government: Framework</i> (2016).	Accountability	Substantial
	The financial management style of the authority supports financial sustainability.	Sustainability	Reasonable
Long to medium-term financial management	The authority has carried out a credible and transparent financial resilience assessment.	Assurance	Reasonable
	The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.	Sustainability	Substantial
	The authority complies with the CIPFA <i>Prudential Code for Capital Finance in Local Authorities</i> .	Standards	Substantial
	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.	Sustainability	Reasonable
The annual budget	The authority complies with its statutory obligations in respect of the budget setting process.	Standards	Substantial
	The budget report includes a statement by the Chief Finance	Standards	Substantial

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	Officer on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves.		
Stakeholder engagement and business plans	The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.	Transparency	Substantial
	The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.	Transparency	Reasonable
Monitoring financial performance	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.	Assurance	Reasonable
	The leadership team monitors the elements of its balance sheet that pose a significant risk to its financial sustainability	Leadership	Substantial
External financial reporting	The Chief Finance Officer has personal and statutory responsibility for ensuring that the statement of accounts produced by the local authority complies with the reporting	Accountability	Substantial

	requirements of the <i>Code of Practice on Local Authority Accounting in the United Kingdom.</i>		
	The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions.	Accountability	Substantial

Assurance Definitions	
Substantial	All areas reviewed of the organisation's financial management arrangements were found to comply with the FM Code.
Reasonable	Most areas reviewed of the organisation's financial management arrangements were found to comply with the FM Code.
Partial	Most areas reviewed of the organisation's financial management arrangements were found not to comply with the FM Code.
None	All areas reviewed of the organisation's financial management arrangements were found not to comply with the FM Code.

2022/23 Action Plan

No significant weaknesses were identified for 2022/23 (as was the case in 2021/22 also); and no further issues identified that have not already been captured in the 2020/21 Action Plan which continue to be addressed below.

Progress against 2020/21 Action Plan

Category	Risk Area/Weakness	Action to be Delivered in 2021/22 and Beyond
The leadership team is able to demonstrate that the services provided by Gwent Police provide value for money.	Is Gwent Police able to demonstrate the action that it has taken to promote value for money and what it has achieved?	Continue the need to document benefits and savings, particularly in relation to post implementation reviews and reporting to Service

		<p>Improvement Board (SIB).</p> <p>Develop and incorporate more fully the links between the Force Management Statement, budget setting, people establishment and performance monitoring.</p> <p>Maintain the focus on making appropriate risk-based decisions on opportunities for savings through governance groups and Chief Officer Team meetings.</p> <p>2021/22 Update: Partly Complete - During the year, the Benefits Strategy has been updated and approved through internal governance boards. The key change this year, has been the development of the Productivity and Efficiency Meeting which pre-screens benefits analysis (including in Business Cases and Post Implementation Reviews) before final submission to the Service Improvement Board. This additional level of scrutiny has improved the identification, baselining, monitoring and realisation of benefits and raised the profile of the</p>
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		<p>importance of delivering organisational benefits from change investments.</p> <p>Post Implementation Reviews have been focussed upon the changes coming from the 2020/2021 Operational Model and uplift investments. Benefits have been achieved from the implementation of Police Staff Investigators; 'We don't buy Crime' teams; Safeguarding Teams; developments in technology; and implementation of Microsoft Office 365.</p> <p>The full roll-out of Departmental Plans in 2022/23, which will better link the Force Management Statement; budget setting; people establishment and performance monitoring will complete this action.</p> <p>2022/23 Update: Complete – benefits strategy updated, P&E meeting well embedded and undertaken all year. The full rollout of Departmental plans has been superseded by targeted changes to the governance, processes and</p>
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		enhanced reporting for budget setting, people establishment and performance monitoring that support the Force Management Statement.
The financial management style of Gwent Police supports financial sustainability.	Do managers across Gwent Police possess sufficient financial literacy to deliver services cost-effectively and to be held accountable for doing so?	<p>Development of financial management skills across the force through internal training and CIPFA's Achieving Financial Excellence in Policing phase 2 workshops.</p> <p>2021/22 Update: Ongoing - Training is provided based on needs assessment for individual officers/staff and departments. This can be for specific deployments, operations or grant projects. Further work is being scoped to incorporate financial training into existing development programmes for officers and staff. Finance business partners have been very active in the past 12 months to improve budget holders' understanding of their budgets, and monthly financial and overtime reporting.</p> <p>2022/23 Update: Complete – Head of Finance has raised financial awareness through senior leadership days, as well as internal</p>

		management courses in conjunction with colleagues from the Joint Procurement Service. Finance business partners continue to actively meet with budget holders throughout the financial year.
Gwent Police has carried out a credible and transparent financial resilience assessment.	<p>Has Gwent Police undertaken a Financial Resilience Assessment?</p> <p>Has the Assessment tested the resilience of Gwent Police's financial plans to a broad range of alternative scenarios?</p> <p>Has Gwent Police taken appropriate action to address any risks identified as part of the assessment?</p>	<p>The CIPFA Financial Resilience Assessment toolkit has not been extended to cover local policing bodies. The Financial Management sub group of the Achieving Financial Excellence in Policing is endeavouring to produce a tool kit but this has yet to be tested. A review will be undertaken as soon as the toolkit is ready.</p> <p>2021/22 Update: Ongoing - The CIPFA Financial Resilience Assessment toolkit has not been extended to cover local policing bodies, although a policing version is currently out for consultation. The Force has made use of the CIPFA data dashboards and data analytics platforms to review and understand the cost breakdown of business support functions. This built on the indicators from the HMICFRS VFM profiles analysis. The</p>

		<p>results of that review were used as part of the discussions around cost pressures and savings areas during the 2022/23 budget setting and MTFP processes.</p> <p>2022/23 Update: Ongoing - The CIPFA Financial Resilience Assessment toolkit has not been extended to cover local policing bodies. However, in addition to improvements in 2021/22, the Force is making increased use of technology to analyse expenditure patterns and identify further savings opportunities, thereby increasing financial resilience. Multiple scenarios continue to be modelled as part of the annual budget setting process to inform key decisions on revenue and capital programmes.</p>
<p>Gwent Police has a rolling multi-year medium-term financial plan consistent with sustainable service plans.</p>	<p>Is the medium-term financial plan consistent with and integrated into relevant service plans and its capital strategy?</p>	<p>Considerable work has been undertaken to align the MTFP with the Force Management Statement over the last year and indeed is considered alongside the Reserves and Capital Strategies. Further work planned to better link operational plans to resources and strategies.</p>

		<p>2021/22 Update: Ongoing – The pilots on Departmental Plans for Finance and People Services are currently being evaluated by the Continuous Improvement Department. Improvements on the process will be incorporated in further pilots/roll-out during 2022/23 for the 2023/24 budget setting round.</p> <p>2022/23 Update: Complete - The full rollout of Departmental plans has been superseded by targeted changes to the governance, processes and enhanced reporting for budget setting, people establishment and performance monitoring that now support the Force Management Statement. These changes include full alignment of medium term financial planning with capital, commissioning, reserves and treasury management strategies.</p>
The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and	Is the leadership team happy with the reports that it receives and with its ability to use these reports to take appropriate action?	Further work is ongoing to provide more detailed financial reporting and also the timely ability to reinvest in year surpluses.

financial sustainability.		<p>2021/22 Update: Ongoing - Changes to the force operating model mean the wider reporting requirements of senior officers and staff on performance, people, and finance are being adapted across the force. Specifically, in relation to finance, work continues to develop internal force reporting on finance and overtime figures, including the Qlikview platform for accessing the data. Finance reports on the in-year financial position to governance boards and chief officers remain fit for purpose.</p> <p>2022/23 Update: Complete – Enhanced reporting is being provided via Qlikview on operational force performance, finance and human resourcing. Real time overtime reporting is also available to senior officers via timesheets. Finance reporting continues to be fit for purpose.</p>
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CONCLUSION AND OPINION

The Commissioner and Chief Constable are responsible for ensuring that the exercising of their respective functions is conducted in accordance with the law and proper standards; and that public money is safeguarded, properly accounted for; and used economically, efficiently and effectively. In discharging this overall responsibility, they are responsible for putting in place proper arrangements for the governance of

their affairs, facilitating the effective exercise of their functions, which includes arrangements for the management of risk.

This Statement is designed to control rather than eliminate the risk of failure to achieve these objectives; it can therefore only provide reasonable and not absolute assurance of its effectiveness. Continued investment in digital and mobile technology, coupled with 'cultural' investment in agile working practices, has enabled both corporations sole to minimise disruption, maintain 'business as usual' and to start realising opportunities for making greater efficiencies.

Based upon the above review of the sources and effectiveness of assurance set out in this Statement, the Commissioner and Chief Constable are satisfied that they have in place '**Reasonable**' governance arrangements, including appropriate systems of internal control and risk management, which facilitate the effective exercise of their respective functions.

The Commissioner and Chief Constable propose over the coming year to take steps to address the Governance actions as outlined in the action plan, which will further enhance the governance arrangements in place. The monitoring of their implementation and operation will be ongoing, with progress forming part of the next annual review.

J Cuthbert

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Police and Crime Commissioner for Gwent

D Garwood-Pask

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Chief Finance Officer (Commissioner)

S Curley

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Chief Executive (Commissioner)

P Kelly

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Chief Constable of Gwent

N Stephens

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Chief Finance Officer (CC)