



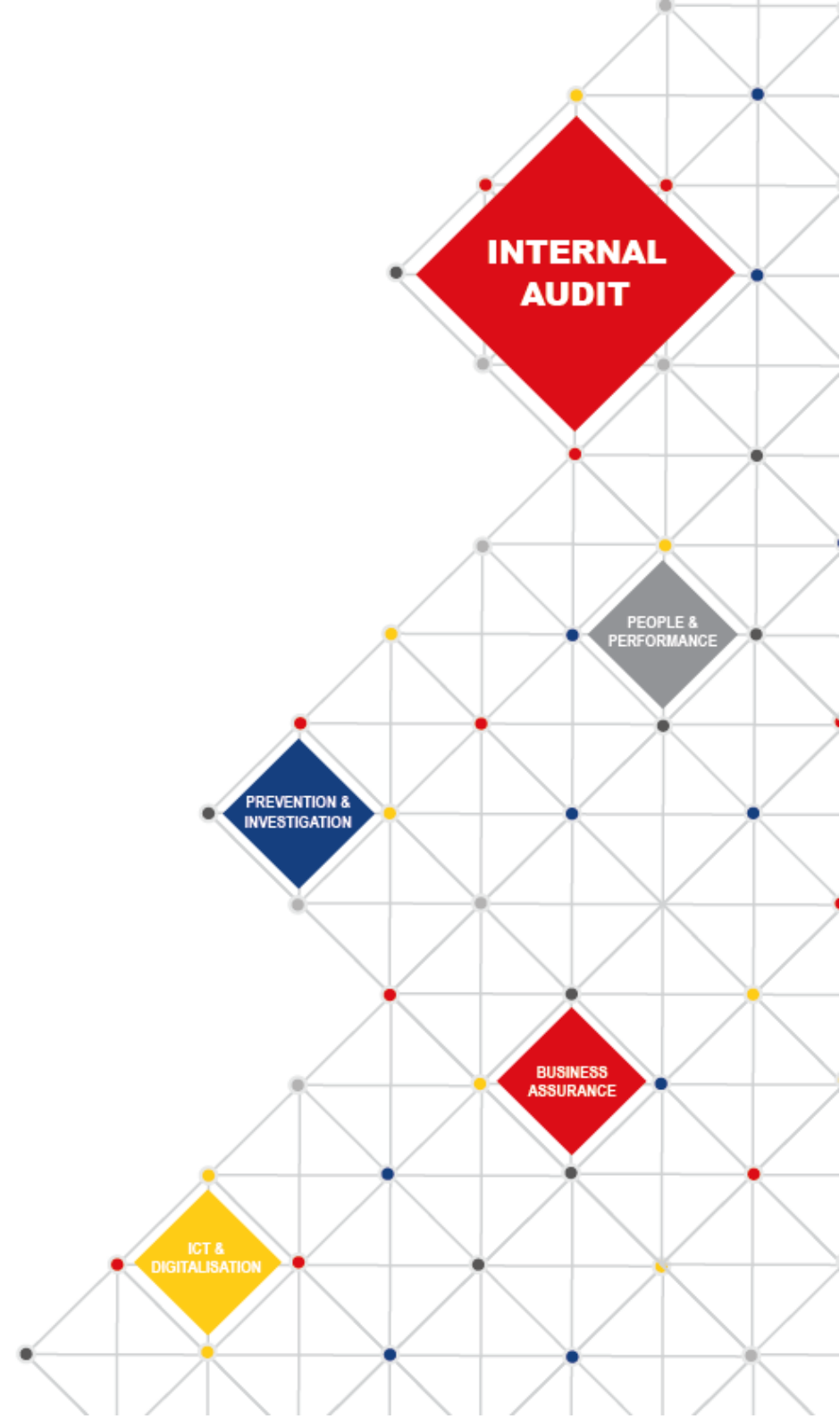
Office of the Police and Crime
Commissioner for Gwent and the Chief
Constable Gwent Police

Internal Audit Annual Report

May 2019

FINAL

2018/19



Internal Audit Annual Report

INTRODUCTION

This is the 2018/19 Annual Report by TIAA on the internal control environment at The Office of the Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police. The annual internal audit report summarises the outcomes of the reviews we have carried out on the organisation’s framework of governance, risk management and control. This report is designed to assist the Commissioner in preparing the annual governance statement.

HEAD OF INTERNAL AUDIT’S ANNUAL OPINION

I am satisfied that sufficient internal audit work has been undertaken to allow me 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 my 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. Management representation was provided that priority recommendations arising from the five reviews assessed as providing limited assurance have been addressed or are in progress. This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on the ongoing financial viability or your ability to meet financial obligations which must be obtained by The Office of the Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police from its various sources of assurance.

INTERNAL AUDIT PLANNED COVERAGE AND OUTPUT

The 2018/19 Annual Audit Plan approved by the Audit and Risk Committee was for 160 days of internal audit coverage in the year. During the year there were no changes to the Audit Plan.

All the planned work has been carried out and the reports have been issued. (Annex A).

The Data Breach – Freedom of Information review was undertaken in addition to the work set out in the Annual Audit Plan.

ASSURANCE

TIAA carried out 22 reviews, which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Office of the Police and Crime Commissioner for Gwent and the Chief Constable Gwent Police objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	2	1
Reasonable Assurance	15	15
Limited Assurance	5	3
No Assurance	-	-

In addition, one advisory review was undertaken and two Follow-up reviews.

The areas on which the assurance assessments have been provided can only provide reasonable and not absolute assurance against misstatement or loss and their effectiveness is reduced if the internal audit recommendations made during the year have not been fully implemented.

We made the following total number of recommendations on our audit work carried out in 2018/19.

Urgent	Important	Routine
5	59	45

AUDIT SUMMARY

Control weaknesses: There were five areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited' assurance. Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations had been accepted and progress reported to the Joint Audit Committee indicate that the actions have been completed.

Recommendations Made: We have analysed our findings/recommendations by risk area and these are summarised below.

Risk Area	Urgent	Important	Routine
Directed	-	3	6
Compliance	4	31	20
Operational	1	23	16
Reputational	-	2	3

Operational Effectiveness Opportunities: One of the roles of internal audit is to add value and during the financial year we provided advice on opportunities to enhance the operational effectiveness of the areas reviewed and the number of these opportunities is summarised below.

Operational
21

INDEPENDENCE AND OBJECTIVITY OF INTERNAL AUDIT

There were no limitations or restrictions placed on the internal audit service which impaired either the independence or objectivity of the service provided.

PERFORMANCE AND QUALITY ASSURANCE

The following Performance Targets were used to measure the performance of internal audit in delivering the Annual Plan.

Performance Measure	Target	Attained
Completion of Planned Audits	100%	100%
Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	95%
Compliance with Public Sector Internal Audit Standards	100%	100%

Ongoing quality assurance work was carried out throughout the year and we continue to comply with ISO 9001:2015 standards. An independent external review was carried out of our compliance of the Public Sector Internal Audit Standards (PSIAS) in 2017 and in particular to meet the requirement of an independent 5 year review, the outcome confirmed full compliance with all the standards. Our work also complies with the IIA-UK Professional Standards.

RELEASE OF REPORT

The table below sets out the history of this Annual Report.

Date Report issued:	May 2019
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Annexes

Annex A

Actual against planned Internal Audit Work 2018/19

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Fixed Assets	Assurance	5	5	Substantial	Final Report Issued
Expenses and Additional Payments	Assurance	5	5	Substantial	Final Report Issued
Finance and Resource System Implementation	Appraisal	6	6	Reasonable	Final Report Issued
Budgetary Control	Assurance	5	5	Reasonable	Final Report Issued
Business Continuity	Assurance	10	10	Reasonable	Final Report Issued
Contract Management Review 1	Assurance	3	3	Reasonable	Final Report Issued
Debtors	Assurance	4	4	Reasonable	Final Report Issued
Estate Management Governance	Assurance	8	8	Reasonable	Final Report Issued
General Ledger	Assurance	5	5	Reasonable	Final Report Issued
Payroll	Assurance	5	5	Reasonable	Final Report Issued
Pensions	Assurance	5	5	Reasonable	Final Report Issued
Staying Ahead 8 Theme – Corporate Communications	Assurance	6	6	Reasonable	Final Report Issued
Vetting	Compliance	4	4	Reasonable	Final Report Issued
GDPR Compliance - Audit Review 2	ICT	3	3	Reasonable	Final Report Issued
GDPR Compliance	ICT	3	3	Reasonable	Final Report Issued
Gwent, South Wales and Dyfed-Powys Police - TARIAN ROCU Collaborative Project	Assurance	4	4	Reasonable	Final Report Issued
Gwent, South Wales and Dyfed-Powys Police Fleet Management – Single System	Assurance	5	5	Limited	Final Report Issued
Counter Fraud Payments Health Check	Compliance	7	7	Limited	Final Report Issued
Local Policing – Property and Cash	Compliance	6	6	Limited	Final Report Issued

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
HR Management – Training and Development	Assurance	7	7	Limited	Draft Report Issued
Creditors	Assurance	5	5	Limited	Final Report Issued
Data Breach Freedom of Information Request	Advisory	-	4	No assessment given	Final Report Issued
Follow Up Quarter 2 – 2018/19	Follow Up	5	5	-	Final Report Issued
Follow Up – Year End	Follow Up	5	5	-	Final Report Issued
Welsh Language Standards Comparison for the Welsh Forces	Comparison	-	-	-	Final Report Issued
Governance – Assurance Framework	Assurance	10	10	Reasonable	Final Report Issued
Contract Management – Visit 2	Assurance	3	-		Deferred to 2019/20
Liaison with WAO	N/A	3	3		No report
2018/19 - Annual Plan	N/A	6	6		Final Report Issued
2018/19 - Annual report	N/A	2	2		Final Report Issued
Audit Management	N/A	15	15		N/A
		160	161		