



HEDDLU GOGLEDD CYMRU NORTH WALES POLICE

CYDBWYLLGOR ARCHWILIO

9.30yb – 6 Hydref 2021 Ar-lein ar Microsoft Teams

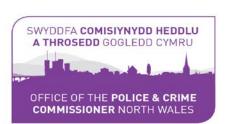
AGENDA

Yn bresennol:

Julie Perkins		
Sarah Davies		
Prif Uwcharolygydd Dros Dro Sian Beck – Gwasanaethau		
Corfforaethol		
James Sutton – Pennaeth Cudd-wybodaeth/Cadeirydd		
Bwrdd Sicrwydd		
Angharad Jones – Cynorthwyydd Personol i'r Prif		
Weithredwr		
Michelle Phoenix, Archwilio Cymru		

	Eitemau Sefydlog			Diben	Tudalen	Amser
1	Ymddiheuriadau	Cadeirydd				
2	Cofnodion o'r cyfarfod diwethaf Bydd y Cadeirydd yn cynnig fod cofnodion y cyfarfod a gynhaliwyd ar 4 Awst 2021 yn gywir.	Cadeirydd				5 mun
3	Cofnod Gweithrediadau	Cadeirydd				15 mun
	Eitemau Sefydlog					
4	Diweddariad Sefydliadol	Prif Gweithredol	Swyddog a	Gwybodaeth		10 mun

		Chyfarwyddwr Cyllid ac Adnoddau			
5	Diweddariad AHEM	Prif Uwcharolygydd Gwasanaethau Corfforaethol	Gwybodaeth		5 mun
6	 Archwilio Mewnol Trosolwg Archwilio Mewnol – Adroddiad Rheolwyr (yn cynnwys crynodeb o Adolygiad Dilynol) Archwilio Mewnol SICA 2020-21 	 a - Cyfarwyddwr Cyllid ac Adnoddau / Swyddog Cyllideb b - Rheolwr Archwilio TIAA 	Sicrwydd		10 mun
7	Diweddariad Risgiau - Datblygiad Proses Risg a Chofrestr Risgiau Bresennol	Pennaeth Cudd- wybodaeth Busnes	Sicrwydd		10 mun
8	Rhaglen Waith 2021/22 -	Cyfarwyddwr Cyllid ac Adnoddau a Phrif Swyddog Cyllid	Penderfyniad		5 mun
	Eitemau Sefydlog				
9	ISA 260 a llofnodi cyfrifon 2020/21 - Cyfrifon ar dudalen 110	Cyfarwyddwr Cyllid ac Adnoddau a Phrif Swyddog Cyllid	Penderfyniad		15 mun
10	Diweddariad sicrwydd; sicrwydd o gyfarfodydd lefel uchel - Bwrdd Cyd Lywodraethu	Prif Swyddog Cyllid	Sicrwydd		5 mun
11	Gwerth am arian	Cyfarwyddwr Cyllid ac Adnoddau	Gwybodaeth	Llafar	15 mun
12	Trosolwg Cydweithrediad	Cyfarwyddwr Cyllid ac Adnoddau	Gwybodaeth	Llafar	10 mun
156	Unrhyw Fater Arall (Hysbyswch y cadeirydd cyn y cyfarfod)				
	DYDDIADAU CYFARFODYDD YN Y DYFODOL8 Rhagfyr 202128 Mawrth 202228 Gorffennaf 20226 Hydref 20228 Rhagfyr 2022				
		CYFANSWM			2 awr





HEDDLU GOGLEDD CYMRU NORTH WALES POLICE

CYDBWYLLGOR ARCHWILIO

4 AWST 2021

PRESENNOL

CYDBWYLLGOR ARCHWILIO:

Rachel Barber – Cadeirydd John Cunliffe Allan Rainford Sarah Davies

SWYDDOGION YR HEDDLU:

Seb Phillips – Cyfarwyddwr Cyllid ac Adnoddau Guto Edwards – Pennaeth Cyllid Helen Williams – Cyfrifydd Rheolaeth Ariannol Sian Wyn-Jones – Swyddog Polisi a Llywodraethu Stephen Roberts – Pennaeth Cyfleusterau Y Prif Arolygydd David Cust – Swyddog Archwilio ac Arolygu'r Heddlu Matthew Sherrington – Pennaeth Cynllunio Strategol Phil Kenyon – Cyfreithiwr yr Heddlu

SWYDDFA'R COMISIYNYDD HEDDLU A THROSEDD:

Stephen Hughes – Prif Swyddog Gweithredol Kate Jackson – Prif Swyddog Cyllid Angharad Jones – Cynorthwyydd Personol i'r Prif Weithredwr

POBL ERAILL YN BRESENNOL

Helen Cargill, TIAA Jonathan Maddock, TIAA Michelle Phoenix, Archwilio Cymru

YMDDIHEURIADAU A DATGANIADAU O DDIDDORDEB

Ymddiheuriadau: Julie Perkins, Aelod o'r CA; Y Prif Uwcharolygydd Dros Dro Sian Beck; Phil Kenyon, Cyfreithiwr yr Heddlu; Anne Mathews, Swyddog Cyllid a Chyllidebau; James Sutton, Pennaeth Cuddwybodaeth Busnes/Cadeirydd Bwrdd Sicrwydd Dim datganiadau o fudd.

1. COFNODION A CHOFNOD GWEITHREDIADAU

Cytunwyd bod cofnodion y cyfarfod a gynhaliwyd ar 30 Mawrth 2021 fel cofnod cywir o'r cyfarfod.

2. **COFNOD GWEITHREDIADAU**

Diweddarwyd y Cofnod Gweithrediadau a bydd yn cael ei gylchredeg gyda'r cofnodion. Y gweithrediadau a argymhellwyd eu cau ac a gytunwyd eu cau oedd: 56a, 91b, 105a, 139a, 144, 145a, 146a, 146b, 146c, 147, 148a, 148b, 149a, 149b, 149c, 150, 154.

Gwnaiff y Cadeirydd ofyn am nodi rhai papurau a gyfeiriwyd atynt yng nghyfarfod mis Gorffennaf o'r CA, sef y cyfarfod hwn wedi'i aildrefnu.

3. **DIWEDDARIAD SEFYDLIAD**

Nododd y Cydbwyllgor Archwilio'r adroddiad gan Swyddfa'r Comisiynydd Heddlu a Throsedd a Heddlu Gogledd Cymru a roddodd ddiweddariad am y gwaith a wnaed ers cyfarfod diwethaf y Cydbwyllgor Archwilio ym mis Mawrth.

Swyddfa'r Comisiynydd Heddlu a Throsedd

Hysbysodd y Prif Swyddog Gweithredol y Cydbwyllgor bod yr ymgynghoriad cyhoeddus yn parhau ar agor tan 20 Awst 2021. Gellir cael mynd ato drwy wefan SCHTh neu drwy e-bostio/ffonio'r swyddfa am gopi papur/darllen hawdd o'r arolwg. Mae'r ymgynghoriad yn cael ei gyhoeddi'n eang drwy dudalennau cyfryngau cymdeithasol y Swyddfa a Heddlu Gogledd Cymru. Bydd y Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl yn cynnal sesiwn Holi ac Ateb fyw dros Twitter heno am 6yh.

Mae sicrhau cyllid drwy'r Gronfa Strydoedd Diogelach wedi bod yn hynod lwyddiannus hyd yma ac mae'r drydedd rownd o geisiadau bellach ar agor. Gwneir ceisiadau er mwyn sicrhau cyllid ar gyfer Canolfan Tref Wrecsam a Chaergybi ac mae wedi'i dargedu'n benodol ar gyfer sicrhau diogelwch merched a genethod mewn mannau cyhoeddus/agored.

Mae cyllid pellach wedi'i sicrhau drwy'r Gronfa Cymorth Hanfodol am y swm o £112,000 ar gyfer Uned Cymorth Cam-drin Domestig yn Sir y Fflint a Wrecsam. Rhoddwyd £50,000 er mwyn cynorthwyo'r uned cam-drin trais rhywiol ar ddynion yn ardal y gorllewin. Mae'r holl arian wedi'i sicrhau gan weithio mewn partneriaeth da ledled Gogledd Cymru.

Heddlu Gogledd Cymru

Gwnaeth y Cyfarwyddwr Cyllid ac Adnoddau ailadrodd y prif bwyntiau o'i bapur diweddariad.

Cadarnhawyd bod cyflog swyddogion heddlu wedi'i rewi'n ystod y dyddiau diwethaf. Mae wedi achosi rhywfaint o bryder o fewn y gwasanaeth gyda Ffederasiwn yr Heddlu yn ymwneud yn fawr â lobïo'r Llywodraeth.

Hysbyswyd bod absenoldebau oherwydd Covid wedi bod yn uwch yn ystod misoedd Mai/Mehefin ond maent yn gostwng fesul tipyn.

Holodd Aelod o'r Cydbwyllgor Archwilio oedd y gwall gordaliad fel yr adroddwyd tair blynedd yn ôl. Cadarnhaodd y Cyfarwyddwr Cyllid ac Adnoddau nad fel hyn yr oedd hi ac mae'r broblem bresennol oherwydd gwall dyn. Mae gwaith yn parhau i weithio drwy broblemau a nodwyd. Gwnaiff y CCA ddiweddaru'r Cydbwyllgor Archwilio ymhellach faes o law.

Gofynnodd yr Aelod o'r CA a oedd yn bosibl derbyn diweddariad ar y rhaglen newid o fewn y papur diweddariad sefydliadol hwn.

GWEITHREDIAD	Cyfarwyddwr Cyllid ac Adnoddau i gynnwys diweddariad ar y rhaglen newid o
1	fewn y papur Diweddariad Sefydliadol i'r Cydbwyllgor Archwilio.

4. **DIWEDDARIADAU'R HMICFRS**

Nododd y Cydbwyllgor Archwilio'r diweddariad a roddwyd o fewn y papur. Diolchodd y Cadeirydd i'r tîm am adroddiad mwy manwl.

Holodd y Cadeirydd a aseswyd yr amserlenni a chyflymder y gweithrediadau i ymdrin â'r argymhellion o ran y risg amser real. Cadarnhaodd Archwiliad yr Heddlu bod y broses yn cael ei monitro a bod hon yn ymdriniaeth ar y cyd rhwng Heddlu Gogledd Cymru ac AHEM. Asesir a graddir risgiau o fewn y tîm a pha weithrediad a ellir ei roi mewn lle'n gyflym hyd nes y'i gwelir fel busnes fel arfer.

Pan nodir materion, eir â nhw i'r Bwrdd Cynllunio Strategol a Dysgu Sefydliadol lle maent yn cael eu trafod a'u craffu. Penderfynir yn y Bwrdd hwn a ddylent ymddangos ar y Gofrestr Risg.

5. **ARCHWILIO MEWNOL**

a. TROSOLWG ARCHWILIO MEWNOL – ADRODDIAD RHEOLWYR

Nododd y Cydbwyllgor Archwilio'r papur sy'n rhoi trosolwg o weithgarwch rheolaethau mewnol o fewn Heddlu Gogledd Cymru.

b. <u>ARCHWILIADAU SICRWYDD CYFYNGEDIG – EIDDO SY'N AMODOL AR ARCHWILIAD COSTAU AC</u> <u>ARCHWILIADAU IECHYD A DIOGELWCH</u>

Rheolaeth lechyd a Diogelwch

Rhoddodd y Pennaeth Cyfleusterau ddiweddariad i'r Cydbwyllgor Archwilio o weithrediadau a wnaed yn sgil materion a godwyd fel rhan o'r adroddiad archwilio mewnol a dderbyniodd sicrwydd cyfyngedig.

Hysbyswyd bod holl feysydd gwaith risg uchel wedi'u craffu ac nid oes pryderon wedi'u codi.

Holodd Aelod o'r Cydbwyllgor Archwilio am sicrwydd bod gwiriadau bellach mewn lle er mwyn sicrhau profi systemau tân a diogelwch yn rheolaidd. Sicrhaodd y Pennaeth Cyfleusterau'r Cydbwyllgor bod hyfforddiant pellach wedi'i roi. Bellach, rhoddir tystiolaeth bod y gwiriadau hyn yn digwydd yn rheolaidd. Holodd aelod ymhellach lle bydd yr HSE yn cymryd y diffyg adrodd RIDDOR fel pryder. Hysbyswyd bod gwaith yn cael ei wneud o ran cyfathrebu'r neges i bawb ynghylch pwysigrwydd hysbysu am ddigwyddiadau. Mae'r gweinyddwr lechyd a Diogelwch ar hyn o bryd yn craffu holl feysydd pryder.

Hysbyswyd bod Llywodraethu Iechyd a Diogelwch bellach yn eitem sefydlog ar agenda Uwch Dîm Rheoli C&A. Mae gwaith yn parhau i sicrhau ei fod yn cael blaenoriaeth uchel. Mae pecyn hyfforddiant hefyd yn cael ei roi at ei gilydd ar gyfer holl uwch swyddogion a staff a bydd yn barod i'w gyflwyno ddechrau mis Medi.

Hysbysodd y Pennaeth Cyfleuster bod presenoldeb yn y Pwyllgor Iechyd a Diogelwch diwethaf yn llawer gwell a bod dau Brif Arolygydd o blismona lleol yn bresennol. Gobeithir yn fawr y bydd y lefel ymgysylltiad hwn yn parhau.

Dywedodd y Cydbwyllgor Archwilio y dylid amlygu iechyd a diogelwch fel blaenoriaeth o fewn Heddlu Gogledd Cymru a dylai hyn fod ar y gofrestr risg.

Rhoddwyd sicrwydd bod y broblem hon bellach yn cael ei chynnwys o fewn y gofrestr risg ac y byddai'r adroddiad risg yn cael ei gylchredeg i bawb yn fuan.

Dywedodd y Prif Swyddog Gweithredol fod gan SCHTh rôl i'w chwarae mewn craffu gwaith yr Heddlu ar Iechyd a Diogelwch a gellid gwneud llawer mwy yn y dyfodol. Cyfarfod i'w drefnu rhwng y Prif Weithredwr/Cyfarwyddwr Cyllid ac Adnoddau/Pennaeth Cyfleusterau er mwyn trafod sut y gellir symud hyn ymlaen.

GWEITHREDIAD	Cyfarfod i'w drefnu rhwng y Prif Weithredwr/Cyfarwyddwr Cyllid ac			
2	Adnoddau/Pennaeth Cyfleusterau ynghylch sut gall SCHTh graffu'r gwaith			
	lechyd a Diogelwch sy'n cael ei ymgymryd o fewn Heddlu Gogledd Cymru.			

Gofynnodd y Cadeirydd i lechyd a Diogelwch ddod yn ôl i gyfarfod o'r Cydbwyllgor Archwilio yn y dyfodol er mwyn sicrhau bod gwaith yn parhau. Gofynnodd i Archwilio Mewnol ystyried cynnwys lechyd a Diogelwch ymhellach yn eu rhaglen waith 2021/22.

GWEITHREDIAD	Cyfarwyddwr Cyllid ac Adnoddau i drafod cynnwys lechyd a Diogelwch ar		
3	raglen waith Archwilio Mewnol a'i gynnwys ar agenda'r Cydbwyllgor		
	Archwilio yn y dyfodol.		

<u>Eiddo Wedi'i Atafaelu</u>

Diweddarodd y Pennaeth Cyfleusterau'r Cydbwyllgor Archwilio ar y prosesau sydd ynghlwm mewn prosesu eiddo wedi'i atafaelu a all gymryd amser ac mae angen mewnbwn swyddog heddlu.

Ers yr archwiliad, nodwyd bod gostyngiad wedi bod yn y nifer o achosion agored ond bod angen ymgysylltiad swyddogion er mwyn sicrhau bod y broses o dan reolaeth.

Holodd y Cydbwyllgor Archwilio os oedd unrhyw ganlyniadau os nad yw swyddogion yn dilyn proses. Hysbysodd y Pennaeth Cyfleusterau bod Prif Uwcharolygydd Plismona Lleol bellach ynghlwm â'r broses hon. Gobeithir y gellir cyflawni mwy o ymgysylltu yn y dyfodol ac y byddai Prif Swyddogion hefyd yn cefnogi unrhyw weithrediad i annog mwy o gydymffurfio.

GWEITHREDIAD	Cyfarwyddwr Cyllid ac Adnoddau i godi ar lefel Prif Swyddogion bod angen
4	ymgysylltu pellach gyda swyddogion er mwyn sicrhau cydymffurfiaeth gyda
	phroses eiddo wedi'i atafaelu.

Holodd Aelod o'r Cydbwyllgor Archwilio am olrhain y chwistrell daliwr. Eglurodd y Pennaeth Cyfleusterau yr arferai'r broses hon gael ei rholi gan y Rheolwyr Busnes ond cofnodir hyn bellach ar RMS er mwyn sicrhau trywydd archwiliad. Cofnodir Chwistrell Daliwr i swyddogion unigol. Pan ddychwelir y rhain, caeir y cofnodion hyn.

Nododd y Cadeirydd bod y ddau adroddiad wedi rhoi sicrwydd cyfyngedig ar brosesau hanfodol o fewn yr Heddlu. Nododd hefyd bod angen i'r Cydbwyllgor Archwilio ddeall pam eu bod wedi mynd i'r gwellt. Gofynnwyd a oedd y flwyddyn ddiwethaf wedi cyfuno'r prosesau hyn.

Dywedodd y Cyfarwyddwr Cyllid ac Adnoddau bod ystod o wybodaeth ar gael er mwyn ateb y cwestiynau a godwyd. Ond dywedodd y dylai dau archwiliad sicrwydd cyfyngedig gael eu cyddestunoli gan yr archwiliadau eraill sy'n rhoi sicrwydd Hanfodol a Rhesymol.

Dywedodd Archwilio Mewnol bod Heddluoedd eraill yng Nghymru wedi profi'r un broblem gydag eiddo wedi'i atafaelu. Ond dywedodd bod gwiriadau RIDDOR a hanfodol yn wahanol gan fod heddluoedd eraill yn ymgymryd â gwiriadau iawn ac nad oedd esgus i beidio ymgymryd â'r gwiriadau hyn.

c. ARCHWILIO MEWNOL SICA 2021-22 AC ADRODDIAD BLYNYDDOL 2020/21

Nododd y Cydbwyllgor Archwilio'r diweddariad a roddwyd o fewn y papur sy'n rhoi diweddariad ar gynnydd o ran Cynllun Blynyddol 2021-22 ac Adroddiad Blynyddol cymeradwy 2020/21.

Holodd Aelod o'r Cydbwyllgor Archwilio sut mae'r ymdriniaeth i ddangosyddion achosion gwreiddiol yn gweithio. Eglurodd Archwilio Mewnol eu bod yn edrych ar wytnwch/cydymffurfiaeth ac wedi defnyddio'r ymdriniaeth hon gyda holl gleientiaid. Mae'n eu galluogi i gymharu pob Heddlu'n gywir.

Nodwyd bod 199 diwrnod wedi'u dyrannu o fewn y cynllun oherwydd y cansladau yn ystod y ddwy flynedd flaenorol. Bydd y cynllun yn dychwelyd yn ôl i'r nifer arferol o ddyddiau yn 2022/23.

Tynnwyd archwiliad Adolygiad Cydweithrediadau o amserlen Archwilio Mewnol gan fod Archwilio Cymru eisoes yn edrych ar y maes gwaith hwn.

Holodd Aelod o'r Cydbwyllgor Archwilio a edrychwyd ar ddiogelwch seiber a defnyddio adeiladau/cerbydau asiantaethau/partneriaid allanol. Gall hyn achosi bygythiad posibl i'r sefydliad ac a fyddai hyn yn bosibl i archwiliad gael ei ymgymryd. Eglurodd Archwilio Mewnol eu bod ar hyn o bryd yn ymgymryd â'r math hwn o archwiliad ar gyfer cleient arall a byddant yn trafod ei gynnwys gyda'r Cyfarwyddwr Cyllid ac Adnoddau.

Nododd y Cydbwyllgor Archwilio gynllun chwarter cyntaf ac ail chwarter y flwyddyn ond gofynnodd am drafodaeth bellach o ran gweddill cynllun 2021/22 gydag lechyd a Diogelwch i gael ei gynnwys.

Gweithrediad	Cyfarwyddwr Cyllid ac Adnoddau/Archwilio Mewnol i ystyried Ch3 a CH4 i			
5	gynnwys materion a godwyd o fewn y cyfarfod.			

6. **DIWEDDARIAD RISG**

Nododd y Cydbwyllgor Archwilio'r diweddariad a roddwyd o fewn y papur Diweddariad Risg ar 7 Gorffennaf 2021.

Holodd Aelod o'r Cydbwyllgor Archwilio a ddylai'r Risg Cyllid barhau mor uchel ac a oedd hyn yn adlewyrchiad gwir o'r sefyllfa bresennol. Eglurodd y Pennaeth Cyllid y gallai'r risg hwn fynd yn ganolig. Ond gydag ansicrwydd ynghylch yr Adolygiad Gwariant a chyflog swyddogion heddlu, dyna pam mae'n parhau'n uchel.

Nododd y Cadeirydd nad oedd yr Hawliadau Sifil a gofnodwyd ar y Papur Adroddiad Cyfreithiol ar y Gofrestr Risg. Holodd a ddylent fod ac a oedd proses ffurfiol ar gyfer adolygu.

Dywedodd Cyfreithiwr yr Heddlu nad oedd hawliadau sylweddol yn fyw ar hyn o bryd ac yr hysbysir hawliadau drwy gyfarfodydd yr Uwch Dîm Rheoli. Cyfreithiwr yr Heddlu i drafod ei gynnwys ar y Gofrestr Risg gyda'r Swyddog Llywodraethu a Pholisi a'r Cyfarwyddwr Cyllid ac Adnoddau tu allan i'r cyfarfod.

Gweithrediad	Cyfreithiwr yr Heddlu/Swyddog Llywodraethu a Pholisi/Cyfarwyddwr Cyllid ac
6	Adnoddau i drafod a ddylai hawliadau sifil gael eu gosod ar y gofrestr risg
	gorfforaethol.

Holodd Aelod o'r Cydbwyllgor Archwilio pa mor aml y craffir y risgiau prosiect. Bydd y Cyfarwyddwr Cyllid yn gweithredu ac yn rhannu papur y canlyniad gydag Aelodau'r Cydbwyllgor.

Gweithrediad	Cyfarwyddwr Cyllid ac Adnoddau i baratoi papur briffio ar gyfer aelodau'r
7	Cydbwyllgor Archwilio ar risgiau'r prosiect.

7. RHAGLEN WAITH AR GYFER 2020/21

Nododd y Cydbwyllgor Archwilio'r rhaglen waith ddiweddaraf.

Holodd y Cydbwyllgor Archwilio a allai'r eitemau At Wraidd y Mater ar yr agenda fod yn seiliedig ar y Gofrestr Risg. Y Cadeirydd a'r swyddogion i drafod yn y cyfarfod gosod Agenda.

GweithrediadY Cadeirydd a'r swyddogion i drafod yr eitemau sesiwn At Wraidd y Mater yng8nghyfarfod nesaf gosod agenda.

8. CYLLID

a. <u>DIWEDDARIAD AR Y DATGANIAD CYFRIFON</u>

Diweddarodd y Cyfarwyddwr Cyllid ac Adnoddau'r aelodau ar y cynnydd a wnaed. Hysbyswyd y dylai'r cyfrifon fod yn barod i'w cymeradwyo yng nghyfarfod mis Hydref o'r Cydbwyllgor Archwilio.

Dywedodd y Cyfarwyddwr Cyllid ac Adnoddau y byddai'n cylchredeg y crynodeb Paratoad Technegol i arweinydd Cyllid y Cydbwyllgor Archwilio erbyn diwedd yr wythnos.

Gweithrediad	Cyfarwyddwr Cyllid ac Adnoddau i ddarparu crynodeb o faterion a nodwyd		
9	o fewn y sesiwn Paratoad Technegol i arweinydd Cyllid y Cydbwyllgor		
	Archwilio.		

Cadarnhaodd Archwiliad Cymru bod yr archwiliad o'r cyfrifon cystal â bod wedi'u cwblhau. Nid ydynt yn gweld dim problemau mewn cyflawni dyddiad cymeradwyo mis Hydref.

b. <u>RHEOLI'R TRYSORLYS – ADRODDIAD ALLDRO</u>

Nododd y Cydbwyllgor Archwilio adroddiad crynodeb Rheoli'r Trysorlys sy'n amlygu'r gweithgarwch a ymgymerir yn ystod 2020-21, unrhyw doriadau mewn cyfyngiad neu ddangosydd a buddsoddiad arian parod dros ben ac unrhyw ofynion benthyca.

Holodd Aelod o'r Cydbwyllgor Archwilio a oedd tan fenthyca'r CFR yn peri pryder. Dywedodd y Pennaeth Cyllid eu bod yn gyfforddus gyda'r sefyllfa bresennol a'u bod yn arbed arian wrth beidio gorfod talu unrhyw log dyledus. Cadarnhawyd bod y sefyllfa hon yn cael ei hadolygu'n rheolaidd.

Mae IFRS16 wedi'i drafod gydag Archwilio Cymru. Mae staff wedi mynychu nifer o gyrsiau er mwyn gallu symud ymlaen yn hwyrach ymlaen.

Nododd y Cadeirydd bod hwn yn bapur technegol iawn a gofynnodd y byddai unrhyw symleiddio yn cael ei werthfawrogi.

9. DATGANIAD RHEOLI'R HEDDLU

Nododd y Cydbwyllgor Archwilio y papur datganiad Rheoli'r Heddlu a ddarparwyd.

Eglurodd y Pennaeth Cynllunio Strategol sut y gosodwyd y cynllun allan a pha broblemau a ystyriwyd. Dywedwyd mai'r prif ffocws eleni fydd y pandemig a sut fydd pethau'n edrych wrth fynd ymlaen.

10. YMHOLIADAU ARCHWILIAD I'R RHAI HYNNY SYDD Â CHYFRIFOLDEB LLYWODRAETHU

Nododd y Cydbwyllgor Archwilio y papur Ymholiadau Archwiliad a gyflwynwyd.

Nodwyd bod y papur hwn yn egluro sut mae Archwilydd Cyffredinol Cymru yn gyfrifol am gael sicrwydd rhesymol fod y datganiadau ariannol yn rhydd o gamfynegiant perthnasol, boed hynny drwy dwyll neu wall.

Holodd y Cadeirydd a ddefnyddir dogfennau mewnol pan mae dogfennau'n cael eu poblogi. Holodd hefyd am dystiolaeth o hyn. Eglurodd y Pennaeth Cyllid bod y papur hwn yn seiliedig ar bapurau a gyflwynwyd yn y Bwrdd Llywodraethu.

11. DIWEDDARIAD SICRWYDD; SICRWYDD O GYFARFODYDD LEFEL UCHEL – BWRDD CYD LYWODRAETHU

Nododd y Cydbwyllgor Archwilio'r gwaith a wnaed gan y Bwrdd Cyd Lywodraethu.

12. ADOLYGIAD BLYNYDDOL/ADRODDIAD BLYNYDDOL Y CA

Cyflwynwyd Adolygiad Blynyddol / Adroddiad Blynyddol y CA ar 2020/21 fel y darllenir.

Ailadroddodd y Cadeirydd y gweithrediad sy'n weddill bod y Cydbwyllgor Archwilio eto i dderbyn cynllun gweithredu o ran eu gwerthusiad.

152	Adolygiad Blynyddol /	Cyn	Aelodau a	20/06/21 – Cyflwynodd y CCA adborth ar
	Adroddiad Blynyddol y CA	gynted	Swyddogion	gyfer y ddau adroddiad.
	(drafft) – Aelodau a	â		04/08/2021 – Gan nad oes cynllun
	Swyddogion i roi unrhyw	phosibl		gweithredu ynghylch gwerthusiad y CA –
	adborth i'r Cydbwyllgor			mae'r gweithrediad i barhau ar agor.
	Archwilio cyn cyfarfod y			
	Cydbwyllgor Archwilio ym			
	mis Gorffennaf.			

13.ADOLYGIAD O GYLCH GORCHWYL CA

Nododd y Cydbwyllgor Archwilio y Cylch Gorchwyl diwygiedig sydd wedi'i gymeradwyo yn y Bwrdd Gweithredol Strategol ar 2 Awst 2021.

Eglurodd y Prif Swyddog Cyllid bod y newidiadau i'r Cylch Gorchwyl yn fân a gwnaed newidiadau yn unol â chanllawiau newydd CIPFA.

Gofynnodd y Cydbwyllgor Archwilio am weld dogfen yn amlygu'r newidiadau a wnaed.

GWEITHREDIAD	Y Prif Swyddog Cyllid i anfon dogfen sy'n amlygu'r newidiadau a wnaed i'r
10	Cylch Gorchwyl i'r Cydbwyllgor Archwilio.

14. **ADRODDIAD CYFREITHIOL**

Nododd y Cydbwyllgor Archwilio'r papur sy'n rhoi trosolwg o weithgarwch cyfreithiol o fewn yr Heddlu yn ystod y chwe mis diwethaf.

Hysbyswyd bod Gwersi a Ddysgwyd -

 hawliad ET – bydd Pennaeth Hyfforddiant a Chyfreithiwr yr Heddlu yn cyflwyno mewnbwn gwersi a ddysgwyd i holl SLT lleol. Mae'r DBG wedi gofyn i bob rheolwr gwblhau pecyn hyfforddiant NCALT o fewn y tri mis nesaf. • Cludo carcharorion i'r llys – gan na chanfuwyd cerbyd addas oherwydd anghenion carcharorion, mae llwyfan rhithiol y llys yn cael ei ddefnyddio bellach sy'n golygu angen cludo carcharorion i'r llys.

15. ADRODDIAD AT WRAIDD Y MATER AR Y RHAGLEN GYFALAF

Nododd y Cydbwyllgor Archwilio gynnwys y cyflwyniad o ran y Rhaglen Gyfalaf a gyflwynwyd gan y Cyfarwyddwr Cyllid ac Adnoddau a amlygodd y broses a'r gwaith a ymgymerwyd hyd yma.

Nododd aelod o'r Cydbwyllgor Archwilio wrth gynnal rhaglen o amnewidiadau, roedd risg nad edrychwyd ar achosion/dewisiadau busnes eraill. Cadarnhaodd y Prif Swyddog Cyllid bod amserlen o'r gwaith arfaethedig eisoes mewn lle ond yr edrychir ar amnewidiadau yn unigol a'r rhestr waith o ran y Strategaeth Stadau.

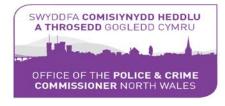
Gofynnwyd a oedd angen achos busnes am newid ac a oedd amser penodol o fewn y rhaglen gynllunio yr ystyrir achosion busnes. Eglurodd y Cyfarwyddwr Cyllid ac Adnoddau y cyflwynir achosion busnes tu allan i'r cylch cynllunio blynyddol ac y gosodir dalfannau o fewn y Cynllun Ariannol er mwyn ystyried y rhain. Dywedodd y Cyfarwyddwr Cyllid ac Adnoddau y byddai'n cymryd yr angen am achos busnes am amnewidiad a'i drafod tu allan i'r cyfarfod.

Gweithrediad	Y Cyfarwyddwr Cyllid ac Adnoddau i ystyried yr angen am achos busnes ar gyfer y
11	rhaglen amnewid.

16. UNRHYW FATER ARALL

Nid chodwyd mater arall.

Cynhelir cyfarfod nesaf y Cydbwyllgor Archwilio ar 6 Hydref 2021 am 9.30yb naill ai yn Ystafell Gynhadledd 1, Pencadlys yr Heddlu Bae Colwyn neu ar Microsoft Teams.





CYDBWYLLGOR ARCHWILIO COFNOD GWEITHREDIADAU o 04.08.2021

Agored
Wedi cau
Wedi ei ohirio

Gweithrediadau newydd/agored o fis Mawrth 2021

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
	56a	Moeseg Y Comisiynydd Heddlu a Throsedd i godi'r ddilema a dderbyniwyd ynghylch rhai sy'n dioddef ymosodiadau rhywiol Comisiynydd Dioddefwyr.	Wedi gohirio	Comisiynydd Heddlu a Throsedd	Y Prif Swyddog Cyllid wedi cydlynu gyda'r Prif Swyddog Gwybodaeth sy'n datgan bod hyn yn fater cenedlaethol sy'n cael ei ystyried yn ddiweddar gan yr ICO, GEG a'r llysoedd ac yn argymell na ddylai CHTh beidio â bod yn rhan o'r mater ar y foment. 09/03/2020 - fel mater cenedlaethol, gall cynnwys y CHTh atal cynnydd. Gohirio hyd nes y bydd y darlun cenedlaethol yn gliriach. 02/06/20 - Wedi gohirio Yn disgwyl cynnydd cenedlaethol. 19/10/2020 - Cadarnhau na dderbyniwyd diweddariad pellach. 30/03/2021 - Cadeirydd newydd yn y swydd ac mae'r trosglwyddiad yn bwrw ymlaen. Pennaeth Cyllid ac Adnoddau i ymchwilio i sicrhau bod y mater yn cael ei gynnwys o fewn y trosglwyddiad. 04/08/2021 – Mae'r Cyfarwyddwr Cyllid wedi ymchwilio ymhellach i'r mater a godwyd a bydd yn trafod gyda'r Prif Weithredwr a Chadeirydd y Pwyllgor Moeseg i gytuno ar y ffordd ymlaen.
	145b	Diweddariad AHEM - Y Prif Swyddog	Gorffennaf _{Tuc}	alenif2Swyddog Cyllid	Gohiriwyd tan Cyfarfod CA mis Hydref.

DYDDIAD	RHIF	DISGRIFIAD GWEITHREDIAD	ANGEN	SAWL SY'N GYFRIFOL	DIWEDDARIAD
CYFARFOD	COFNOD		ERBYN (DYDDIAD)		
		Cyllid i ddiweddaru'r Rhaglen Waith i gynnwys adroddiad Gwerth am Arian ACGTAEM yng nghyfarfod y Cydbwyllgor Archwilio ym mis Gorffennaf.	2021		14/0/21 - Ar yr agenda ar gyfer Hydref 21. Awgrymu Cau'r Gweithrediad.
	152	Adolygiad Blynyddol / Adroddiad Blynyddol y CA (drafft) - Aelodau a Swyddogion i roi unrhyw adborth i'r Cydbwyllgor Archwilio cyn cyfarfod y Cydbwyllgor Archwilio ym mis Gorffennaf.	GYNTED A	Aelodau a Swyddogion	20/06/21 – Cyflwynodd y CCA adborth ar gyfer y ddau adroddiad. 04/08/2021 - Gan nad oes cynllun gweithredu ynghylch gwerthusiad y CA - mae'r gweithrediad i barhau ar agor.
04/08/21	1	Diweddariad Sefydliad - Cyfarwyddwr Cyllid ac Adnoddau i gynnwys diweddariad ar y rhaglen newid o fewn y papur Diweddariad Sefydliadol i'r Cydbwyllgor Archwilio.	Hydref	Cyfarwyddwr Cyllid ac Adnoddau	14/09/21 - Cyfarwyddwr Cyllid ac Adnoddau i roi diweddariad yn y cyfarfod fis Hydref Awgrymu cau'r gweithrediad.
04/08/21	2	Archwiliadau Sicrwydd Cyfyngedig - Rheolaeth Iechyd a Diogelwch - Cyfarfod i'w drefnu rhwng y Prif Weithredwr/Cyfarwyddwr Cyllid ac Adnoddau/Pennaeth Cyfleusterau ynghylch sut gall SCHTh graffu'r gwaith Iechyd a Diogelwch sy'n cael ei ymgymryd o fewn Heddlu Gogledd Cymru.		Prif Weithredwr/Cyfarwyddwr Cyllid ac Adnoddau / Pennaeth Cyfleusterau	14/09/21 – Cyfarfod rhwng y pleidiau a drefnwyd i drafod rôl Swyddfa'r Comisiynydd.
04/08/21	3	Archwiliadau Sicrwydd Cyfyngedig - Rheolaeth lechyd a Diogelwch - Cyfarwyddwr Cyllid ac Adnoddau i drafod cynnwys lechyd a Diogelwch ar raglen waith Archwilio Mewnol a'i gynnwys ar agenda'r Cydbwyllgor Archwilio yn y dyfodol.	Ar unwaith	Cyfarwyddwr Cyllid ac Adnoddau	14/09/21 - Ymateb gweithredu a amlinellwyd / a gynhwysir yn adroddiad Archwilio Mewnol ar gyfer bwrdd Hyd 21. Awgrymu Cau'r Gweithrediad.
04/08/21	4	Archwiliadau Sicrwydd Cyfyngedig – Eiddo wedi'i Atafaelu - Cyfarwyddwr Cyllid ac Adnoddau i godi ar lefel Prif Swyddogion bod angen ymgysylltu pellach gyda swyddogion er mwyn sicrhau cydymffurfiaeth gyda phroses		Cyfarwyddwr Cyllid ac Adnoddau alen 13 o 299	14/09/21 – Ymateb gweithredu a amlinellwyd / a gynhwysir yn adroddiad Archwilio Mewnol ar gyfer bwrdd Hydref 2021. Awgrymu Cau'r Gweithrediad. .

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN	SAWL SY'N GYFRIFOL	DIWEDDARIAD
			(DYDDIAD)		
		eiddo wedi'i atafaelu.			
04/08/21	5	Archwilio Mewnol SICA - Cyfarwyddwr Cyllid ac Adnoddau/Archwilio Mewnol i ystyried C3 a C4 i gynnwys materion a godwyd o fewn y cyfarfod.	Ar unwaith	Cyfarwyddwr Cyllid ac Adnoddau/Archwiliad Mewnol	14/09/21 – Ymateb gweithredu wedi'i amlinellu / a gynhwysir yn adroddiad Archwilio Mewnol ar gyfer bwrdd Hydref 2021. Awgrymu cau'r gweithrediad.
04/08/21	6	Diweddariad Risg - Cyfreithiwr yr Heddlu/Swyddog Llywodraethu a Pholisi/Cyfarwyddwr Cyllid ac Adnoddau i drafod a ddylai hawliadau sifil gael eu gosod ar y gofrestr risg gorfforaethol.	CYN GYNTED â PHOSIBL	Cyfreithiwr yr Heddlu / Swyddog Llywodraethu a Pholisi / Cyfarwyddwr Cyllid ac Adnoddau	14/09/21 – Cyfarfu Cyfarwyddwr Cyllid Ac Adnoddau, Cyfreithiwr yr Heddlu ac Arweinydd Risg ar 01/09/21 i asesu'r risg. Lefel risg bresennol a Lefel Targed a asesir fel 'Canolig'. Felly, bydd risg yn cael ei rheoli ar lefel Uwch Dîm Rheoli Cyllid ac Adnoddau yn hytrach na lefel cofrestr risg yr Heddlu. Awgrymu Cau'r Gweithrediad.
04/08/21	7	Diweddariad Risg - Cyfarwyddwr Cyllid ac Adnoddau i baratoi papur briffio ar gyfer aelodau'r Cydbwyllgor Archwilio ar risgiau'r prosiect.		Cyfarwyddwr Cyllid ac Adnoddau	
04/08/21	8	Rhaglen Waith ar gyfer 2020/21 - Y Cadeirydd a'r swyddogion i drafod yr eitemau sesiwn At Wraidd y Mater yng nghyfarfod nesaf gosod agenda.	Ar unwaith	Cadeirydd a Swyddogion	05/08/21 – Ymchwiliad at wraidd y mater wedi'i drafod wrth osod yr agenda gyda meysydd ffocws dros dro wedi'u nodi. 14/09/21 – Nodwyd mai Ymchwiliad Iechyd a Diogelwch at wraidd y mater yw'r maes ffocws ar gyfer cyfarfod mis Hydref, gyda'r rhaglen waith wedi'i diwygio i adlewyrchu'r rhaglen dros dro a awgrymir. Awgrymu cau'r gweithrediad.
04/08/21	9	Cyllid - Diweddariad ar y Datganiad Cyfrifon - Cyfarwyddwr Cyllid ac Adnoddau i ddarparu crynodeb o faterion a nodwyd o fewn y sesiwn Paratoad Technegol i arweinydd Cyllid y Cydbwyllgor Archwilio.	CYN GYNTED â PHOSIBL	Cyfarwyddwr Cyllid ac Adnoddau	
04/08/21	10	Adolygiad o Gylch Gorchwyl CA - Y Prif Swyddog Cyllid i anfon dogfen sy'n amlygu'r newidiadau a wnaed i'r Cylch Gorchwyl i'r Cydbwyllgor Archwilio.	Ar unwaith	Prif Swyddog Cyllid	Rhannwyd y ddogfen gydag aelodau'r Cydbwyllgor Archwilio. Awgrymu cau'r gweithrediad.
04/08/21	11	Adroddiad at Wraidd y Mater ar y Rhaglen Gyfalaf- Y Cyfarwyddwr Cyllid ac Adnoddau i ystyried yr angen am achos	CYN GYNTED â PHOSIBL Tud	Cyfarwyddwr Cyllid ac Adnoddau alen 14 o 299	14/09/21 - Cyfarwyddwr Cyllid ac Adnoddau wedi trafod gyda Phennaeth Cyllid Y sefyllfa bresennol yw nad oes angen achos busnes ffurfiol ar gyfer cyfnewid fel

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
		busnes ar gyfer y rhaglen amnewid.			rhywbeth tebyg. Mae newidiadau busnes o ran arwyddocâd yn gofyn am achos busnes neu bapur ategol. Awgrymu cau'r gweithrediad.

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
	91b	Archwilio Mewnol - Datganiadau Rheolwyr yr Heddlu i'w rhoi ar y Bwrdd Cyd Lywodraethu ac Agenda'r Cydbwyllgor Archwilio ym mis Gorffennaf.	Erbyn cyfarfod mis Gorffennaf.	Cyliid ac Adnoddau	02/06/2020 Nid oes rhwymedigaeth i greu Datganiad Rheolwyr yr Heddlu yn ystod 2020/21. Edrychir ar y ddogfen fodd bynnag a bydd yn cael ei chreu ar gyfer cyfarfod mis Mawrth 2021. 30/07/2020 CFO i ddiweddaru'r rhaglen waith i adlewyrchu newid rhwng mis Rhagfyr 2020 a mis Mawrth 2021. 12/02/21 – Camau a ail-agorwyd i fonitro cynnydd. 12.02.21 – Mae amserlenni'n golygu y bydd y FMS drafft yn cael ei gwblhau ar ôl y cyfarfod ym mis Mawrth. Y wybodaeth ddiweddaraf i'w rhoi i'r FMS i'w gynnwys yn y sesiynau cynefino Aelodau Newydd i Aelodau'r Pwyllgor, Agenda CA mis Gorffennaf neu'r ddau. Pennaeth yr Uned Cynllunio Strategol i roi'r wybodaeth ddiweddaraf am y cynnydd cyn y cyfarfod ym mis Mawrth. 01.03.2021 - Fel rhan o'r broses gynllunio a arweiniodd at bennu cyllidebau, cwblhaodd pob ardal yn yr heddlu Gynllun Busnes yn nodi eu dealltwriaeth o'r galw, y capasiti a'r gallu presennol ac yn y dyfodol. Bydd y cynlluniau hyn ynghyd â chanlyniadau'r penderfyniadau a wneir wrth bennu'r gyllideb yn ffurfio ein cyflwyniad FMS eleni. Yn ogystal, mae dadansoddiad bwlch wedi'i wneud i'n galluogi i olrhain effaith ein penderfyniadau adnoddau. Mae rhagolygon ystadegol o dueddiadau galw allweddol wedi'u cwblhau i lywio cynllunio sefydliadol. Mae bron pob adran yn nodi tuedd gynyddol o alw ac er bod agweddau wedi'u hatal gan COVID mae eraill wedi cyflymu y tu hwnt i'n rhagamcanion gwreiddiol. Ar hyn o bryd rydym yn cwblhau dadansoddiad manylach ar effaith y pandemig ar alw'r heddlu a fydd yn rhan o'r ddogfen derfynol. Y dyddiad cau ar gyfer cyflwyno i HMCIFRS yw 31 Mai 2021. 30/03/2021 – Gwaith yn parhau i gael ei ddatblygu a'r Cydbwyllgor Archwilio i weld Datganiad Rheoli'r Heddlu pan fydd wedi'i gwblhau.
			Tud	alen 16 o 299	

	D	ERBYN (DYDDIAD)	GYFRIFOL	DIWEDDARIAD
102b	Trosolwg Archwilio Mewnol -	Ar unwaith	Cyfarwyddwr	 21/05/21 - I'w ddosbarthu cyn ac ar wahân i bapurau cyfarfod. 23/06/21 - Mae'r FMS yn ddogfen 'Sensitif Swyddogol' gyda'r rhan fwyaf o'r cynnwys hwnnw wedi'i gynnwys yn y Cynlluniau Busnes. Y cynnig yw dosbarthu'r Crynodeb Gweithredol i aelodau'r CA, rhoi trosolwg yng nghyfarfod y CA ym mis Awst gyda'r bwriad o ddarparu sesiynau briffio mwy penodol wedi'u targedu yn ôl y gofyn. 04/08/2021 - Cadarnhaodd swyddogion fod y ddogfen hon fel sydd bob amser wedi dal y marc 'Sensitif Swyddogol'. Awgrymodd aelodau'r CA i gau'r gweithrediad. 17/09/20
	Cyfarwyddwr Cyllid ac Adnoddau i ymateb i'r CA yn ymwneud â'r rheswm dros ddiwygiadau dyddiad dyledus a sut y byddai mater GDPR sy'n ymwneud â data sensitif a gedwir ar yriannau Rhwydwaith yn cael sylw drwy NEP a mudo i amgylchedd Cwmwl.		Cyllid ac Adnoddau	E-bostiwyd Arweinydd Risg CA gan y DFR 31/07/20 gyda rhesymau dros y diwygiadau dyddiad dyledus wedi'u hamlygu. Pwysleisiwyd bod yr angen i sicrhau bod dyddiadau priodol ar argymhellion TIAA yn rhesymol ac yn realistig cyn cytuno wedi'i bwysleisio i'r rhai sy'n cynnal archwiliadau gan y DFA a'r HoF. E-bostiodd DFR Arweinydd Risg CA ar 31/07/20 parth. GDPR: "Er mwyn lliniaru'r mater GDPR y cyfeirir ato yn y pen draw, byddai angen i unrhyw ateb sicrhau mai dim ond data sy'n cydymffurfio â GDPR sy'n cael ei fudo i'r Cwmwl (lle mae angen ei reoli wedyn mewn ffordd strwythuredig) a hefyd bod angen rheoli unrhyw ddata nad yw'n mudo yn briodol <i>Mae darparu adnoddau ar gyfer y ffrwd waith naill ai drwy dîm prosiect yr</i> <i>NEP neu drwy ffrwd waith ar wahân yn cael ei drafod ar hyn o</i> <i>bryd gydag achos busnes ar y gweill.</i> " <i>05.10.2020 - Holodd aelod o'r CA sut fyddai symud data sydd</i> <i>ddim yn cydymffurfio i'r cwmwl o gymorth wrth liniaru risg ac yn</i> <i>gadael yr Heddlu gyda data sydd ddim yn cydymffurfio ar y</i> <i>gyriant. Dywedodd y Cyfarwyddwr Cyllid ac Adnoddau fod data</i>

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
					ymhellach a diweddaru'r Cydbwyllgor Archwilio. 20/11/2020 – Diweddariad pellach ynghylch dull a anfonwyd drwy'r e-bost gan DFR at arweinydd Risg CA. 10.12.2020 – e-bost wedi'i anfon at ARWEINYDD Risg CA ar liniaru risg. Aelod/Cyfarwyddwr Cyllid ac Adnoddau i gytuno pa sicrwydd fydd yn cau'r cam gweithredu hwn. 09/02/2021 Trafododd DFR ac arweinydd risg CA e-bost dyddiedig 10/12/20 am gyfnod. Cynlluniau Rhaglen Galluogi Cenedlaethol (NEP) ar gyfer mudo data i ddarparu'r sicrwydd angenrheidiol sydd ei angen i gau camau gweithredu. 30/03/2021 - Datblygwyd cynlluniau i ymestyn yr NEP. Y cam nesaf yw anfon Data Mudo at y Cydbwyllgor Archwilio er gwybodaeth. 21/05/21 - Dylid dosbarthu'r briff i John Cunliffe a'i gopïo i'r Cadeirydd. NEP i'w gynnwys yn y rhaglen Waith. 23/06/21 – Anfonwyd e-bost briffio ynghyd â dogfennau sylfaenol. NEP i'w gynnwys fel rhan o bwynt at Wraidd y Mater ar Agenda CA mis Awst Aelodau'r CA yn awgrymu cau'r gweithrediad.
	105a	Bwrdd Sicrwydd - Pennaeth Cudd- wybodaeth Busnes i ddod â rhestr o brofion Pen Bwrdd i gyfarfod nesaf y Cydbwyllgor Archwilio.	Cyfarfod mis Hydref	Pennaeth Cudd- wybodaeth Busnes alen 18 o 299	Rydym yn cydnabod bod hon yn agwedd bwysig ar ein gwaith sicrwydd, a byddwn yn ceisio canolbwyntio arno mewn ystyr ystyrlon unwaith y bydd gallu i wneud hynny ar ôl ymdrin â materion pwysig BC o ddysgu'r gwersi o COVID. Mae prosesau ar waith gyda pharhad busnes un pwynt cyswllt ar gyfer ymarferion pen bwrdd parhaus, ac ymarfer blynyddol ar lefel yr Heddlu gyfan, ond nid oes amserlen ffurfiol/fanwl ar waith ar hyn o bryd. Bydd amserlen brofi lawn yn rhan o'n hymateb ond mae angen i ni roi ystyriaeth briodol iddi cyn rhoi'r wybodaeth ddiweddaraf i Gydbwyllgor Archwilio. Byddaf yn anelu at gael y wybodaeth ddiweddaraf lawnach yng nghyfarfod nesaf y Pwyllgor yn manylu ar y rhestrau profi cyfredol ac arfaethedig. 05.10.2020 - Blwyddyn ddigynsail ac mae llawer wedi'u profi mewn amser real. Adolygiad arall ddechrau'r flwyddyn nesaf.

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
					Diweddariad llawnach i'w roi yng nghyfarfod mis Rhagfyr 2020.
					12/11/20 Mae dau brawf parhad busnes wedi'u trefnu ers
					cyfarfod diwethaf y CA.
					 10/11/20 Ymarfer Seiber Fforwm Cydnerth Lleol Gogledd Cymru - wedi'i ohirio oherwydd anawsterau technegol, i'w aildrefnu ar gyfer diwedd mis Tachwedd/dechrau mis Rhagfyr 2020
					 17/12/20 - Ymarfer parhad Busnes Ymadael â'r UE. Fersiwn wedi'i diweddaru o ymarfer Ymadael â'r UE a gynhaliwyd yn flaenorol ar 09/10/20 Mae papur opsiynau parhad busnes wedi'i baratoi ar gyfer
					grŵp tactegol Adfer Covid 19 13/10/20 er mwyn ystyried ymestyn cynlluniau parhad busnes pwrpasol i bob maes gan gynnwys meysydd risg isel. Bydd hyn yn hysbysu graddfa'r gwaith parhad busnes i'w ymgymryd. Bydd hefyd yn hysbysu'r amserlen profi ar gyfer 2021 a fydd yn cael ei chreu fel rhan o'r gwaith.
					Yng ngoleuni problemau gallu o fewn y tîm sicrwydd, cytunwyd
					ar aelod o staff dros dro a fydd ar gael o'r Adran Cynllunio
					Gweithredol i gynorthwyo dros dro gyda'r gwaith parhad busnes.
					11.01.2020 – Cadeirydd ac Uwcharolygydd/Dros Dro
					Gwasanaethau Corfforaethol i drafod gweithredu.
					03.03.2021 Gweler y papur amgaeedig (Atodiad A).
					Awgrymu cau'r gweithrediad.
	139a	Rhaglen Waith - Prif Swyddog Cyllid i drefnu gweithdy i drafod risg a sut y	CYN GYNTED â	Prif Swyddog Cyllid	Mae'r Cyfarwyddwr Cyllid ac Adnoddau/Prif Swyddog Cyllid wedi trafod ac mae PA wedi gofyn i DFR drefnu gweithdy
		gellid ymgorffori risgiau statig yn well i	PHOSIBL		ddiwedd Ionawr/dechrau Chwefror. Pennaeth Cudd-wybodaeth
		agenda'r cyfarfod.			Busnes/Uwcharolygydd Dros Dro Gwasanaethau Corfforaethol i
					drafod gydag Arweinydd Risg CA a sut mae hyn yn cyd-fynd â'r
					rhaglen. Angen trafodaeth bellach gan efallai mai aelod newydd
					o'r CA fydd yr Arweinydd Risg.
					03.03.2021 - Y Prif Swyddog Cyllid i drefnu gweithdy i drafod risg a sut y gellid ymgorffori risgiau statig yn well yn agenda'r
			Tud	alen 19 o 299	a sacy being yingor for fishing statig yir wen yn agenud i

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
					cyfarfod. – Yn dilyn trafodaeth gyda John Cunliffe, cytunwyd y byddai'r Heddlu, ochr yn ochr ag Adolygiad Blynyddol Awch Risg, hefyd yn cynnal adolygiad blynyddol o'r Gofrestr Risg yn ogystal â'r risgiau a gaewyd yn ystod y 12 mis blaenorol. Digwyddodd hyn yng nghyfarfod yr Uwch Dîm Arweinyddiaeth ar 23 Chwefror 2021, a rhoddwyd ystyriaeth i risgiau y gallai fod angen eu hadolygu'n barhaus er iddynt gael eu cau. Mae llwybr hefyd i oruchwylio risgiau statig drwy'r broses mapio risg. Byddai'r ddau hyn yn adrodd o bryd i'w gilydd i'r Cydbwyllgor Archwilio drwy'r adroddiad risg rheolaidd pan fo'n berthnasol i roi'r wybodaeth ddiweddaraf am unrhyw newidiadau i risgiau statig/hirdymor. 21/05/21 – Bydd swyddogion yn cael diweddariadau rheolaidd gydag arweinydd y CA. Awgrymu cau'r gweithrediad.
30/03/2021	144	Diweddariad Sefydliadol - Cyfarwyddwr Cyllid ac Adnoddau i baratoi nodyn strategol lefel uchel ar ganlyniad y diwrnod gweledigaeth a gynhaliwyd ym mis Ionawr 2021.	Cyn Gynted â Phosibl	Cyfarwyddwr Cyllid ac Adnoddau	Bydd Cyfarwyddwr Cyllid ac Adnoddau yn cylchredeg i bawb. 24/06/21 - Dosbarthwyd dogfen diwrnod creu gweledigaeth i aelodau'r CA. Awgrymu cau'r gweithrediad.
	145a	Diweddariad AHEM Prif Uwcharolygydd Gwasanaethau Corfforaethol Dros Dro i sicrhau bod rhagor o fanylion yn cael eu darparu yn y papur diweddaru ar gyfer cyfarfod y Cydbwyllgor Archwilio ym mis Gorffennaf 2021.	Gorffennaf 2021	Prif Uwcharolygydd Dros Dro Gwasanaethau Corfforaethol	Ystyried hyn wrth baratoi ar gyfer y papur ar gyfer cyfarfod mis Gorffennaf. Awgrymu cau'r gweithrediad.
	146a	Archwilio Mewnol - Cyfarwyddwr Cyllid ac Adnoddau i sicrhau bod perchnogaeth o gamau gweithredu sy'n weddill yn cael ei hadlewyrchu mewn papurau yn y dyfodol.	Gorffennaf 2021	Cyfarwyddwr Cyllid ac Adnoddau	Pan roddir sicrwydd cyfyngedig yn yr adroddiad archwilio, mae'r rheolwr perthnasol i fynychu Cyd-bwyllgor Archwilio. 23/06/21 – Monitro'r DFR a'r Gyllideb i adlewyrchu yn adroddiad Archwilio Mewnol 21 Awst. Awgrymu cau'r gweithrediad.
	146b	Archwilio Mewnol - Cyfarwyddwr Cyllid ac Adnoddau i drafod y terfynau amser a gollwyd ar gyfer ymatebion gan reolwyr ar argymhellion sy'n weddill	CYN GYNTED â PHOSIBL Tud	Cyfarwyddwr Cyllid ac Adnoddau alen 20 o 299	Pan roddir sicrwydd cyfyngedig yn yr adroddiad archwilio, mae'r rheolwr perthnasol i fynychu Cyd-bwyllgor Archwilio. 23/06/21 – Monitro'r DFR a'r Gyllideb i adlewyrchu yn adroddiad Archwilio Mewnol 21 Awst.

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
		gyda'r tîm.			Awgrymu cau'r gweithrediad.
	146c	Archwilio Mewnol - Archwilio Mewnol i ddarparu tystiolaeth o gyflawniadau yn ystod y flwyddyn ariannol.	Gorffennaf 2021	Archwilio Mewnol	Byddwn yn ceisio sicrhau bod ein hadroddiadau yn rhoi trosolwg cytbwys o'r gwaith a gwblhawyd a chyflawniadau tra'n glynu wrth arfer gorau a safonau perthnasol. Awgrymu cau'r gweithrediad.
	147	Diweddariad Risg - Pennaeth Gwybodaeth Busnes i roi amserlenni i'r Cydbwyllgor Archwilio o ran pryd y bydd papurau yn y dyfodol sy'n dangos dull mwy seiliedig ar risg o fapio sicrwydd yn cael eu dwyn yn ôl i'r cyfarfod i'w hystyried.	Gorffennaf 2021	Pennaeth Cudd- wybodaeth Busnes	Pennaeth Gwybodaeth Busnes i sicrhau ei fod yn cael ei gynnwys yn y papur nesaf. Awgrymu cau'r gweithrediad.
	148a	Rhaglen Waith - Cyfarwyddwr Cyllid a Phrif Swyddog Cyllid/Adnoddau i ddiweddaru'r rhaglen waith cyn y cyfarfod ym mis Gorffennaf 2021.	Gorffennaf 2021	Cyfarwyddwr Cyllid ac Adnoddau / Prif Swyddog Cyllid	Rhaglen Waith wedi'i diweddaru. Awgrymu cau'r gweithrediad.
	148b	Rhaglen Waith - Cyfarwyddwr Cyllid a Prif Swyddog Cyllid/Adnoddau i ystyried y ffordd orau o gynnwys yr NEP a'r gwaith trawsnewid Digidol o fewn rhaglen waith y Cydbwyllgor Archwilio.	Cyn cyfarfod Gorffennaf 2021	Cyfarwyddwr Cyllid ac Adnoddau / Prif Swyddog Cyllid	 21/05/21 Ymateb cychwynnol fu i gynnwys yr NEP fel rhan o ymchwiliad at wraidd y mater ar gyfer CA Gorffennaf 21. 24/06/21 Cynnig byddai rhoi trosolwg o'r Rhaglen Trawsnewid Ddigidol fel rhan o'r archwiliad risg at wraidd y mater yn y dyfodol gyda'r bwriad o roi sicrwydd ynghylch yr elfennau a archwiliwyd hyd yma a'r llywodraethu sy'n gysylltiedig â gweddill elfennau'r rhaglen. 04/08/2021 – Diweddaru'r rhaglen waith i adlewyrchu Trawsnewid Digidol. Awgrymu cau'r gweithrediad.
	149a	Strategaeth Gyfalaf - Pennaeth Cyllid i roi mwy o eglurder ar ffigurau o fewn y ddogfen a'u dosbarthu i Aelodau'r Cydbwyllgor Archwilio er gwybodaeth.	â Phosibl	Pennaeth Cyllid	05/07/21 Dealltwriaeth y Pennaeth Cyllid o'r cwestiwn yn y cyfarfod oedd ei fod yn ymwneud ag achosion y llithriadau yn y Rhaglen Gyfalaf a oedd yn bwydo i mewn i'r Rhaglen yn y dyfodol. Eir i'r afael â'r rhain fel rhan o'r adroddiadau diwedd blwyddyn a'u trafod yn fanwl yng Nghyfarfod Technegol y Cyfrifon ar 25 Mehefin. Awgrymu cau'r gweithrediad. (Os nad yw'r cwestiwn wedi'i ateb, gofynnwyd i weithred newydd gael ei chodi gydag eglurder ar y cwestiwn).

DYDDIAD CYFARFOD	RHIF COFNOD	DISGRIFIAD GWEITHREDIAD	ANGEN ERBYN (DYDDIAD)	SAWL SY'N GYFRIFOL	DIWEDDARIAD
	149b	Strategaeth Gyfalaf - Prif Swyddog Cyllid i roi'r Rhaglen Gyfalaf ar y rhaglen waith i'w thrafod ymhellach.	Gorffennaf 2021	Prif Swyddog Cyllid	Ar agenda Gorffennaf fel archwiliad at wraidd y mater Awgrymu cau'r gweithrediad.
	149c	Strategaeth Gyfalaf - Cyfarwyddwr Cyllid a Phrif Swyddog Cyllid/Adnoddau i sicrhau bod Strategaeth Rheoli a Chyfalaf y Trysorlys yn cael ei chynnwys yn y diwrnod datblygu Archwilio ar y Cyd.	Mehefin 2021	Cyfarwyddwr Cyllid ac Adnoddau / Prif Swyddog Cyllid	Ar ddiwrnod datblygu'r agenda. Awgrymu cau'r gweithrediad.
	150	Cod Rheolaeth Ariannol - Pennaeth Cyllid i ddiweddaru unrhyw gamau gweithredu sy'n weddill cyn cyfarfod y Cydbwyllgor Archwilio ym mis Hydref.	Hydref 2021	Pennaeth Cyllid	Ni nodwyd unrhyw gamau gweithredu penodol yn adroddiad Cydymffurfio Cod FM, ond tynnwyd sylw at 4 maes i'w datblygu. Mae'r rhain ar y cyfan yn feysydd i'w datblygu'n barhaus ac fe'u rheolir o dan Fyrddau neu Reolwyr eraill. Y 4 maes dan sylw yw Adolygiad o'r Cylch Cynllunio – wedi'i gyflawni a dyddiadau wedi'u trefnu ar gyfer y 6 mis nesaf. Cydweithio Rhanbarthol a Chenedlaethol – mae costau'n parhau i gael eu herio a'u deall, ond mae'n dal i fod yn faes sy'n peri pryder fel pwysau cyllidebol. Datblygu BC ac ymgysylltu'n gynnar â Chaffael – mae hyn wedi gwella a chaiff ei wella ymhellach drwy benodi Swyddog Gwireddu Manteision Busnes yn y PMO. Data meincnodi - Ymgysylltu'n Rhanbarthol ac yn Genedlaethol i ddylanwadu ar gasglu data er mwyn ceisio cael data BM ystyrlon. Awgrymu bod camau'n cael eu cau a bod y wybodaeth ddiweddaraf yn cael ei rhoi fel rhan o adroddiadau Cod FM. Nid oes dyddiad gorffen penodol i'r rhain gan eu bod yn feysydd o welliant/datblygiad parhaus. Awgrymu cau'r gweithrediad.
	154	Datganiad Cyfrifon Blynyddol - Rhagolwg Sleidiau a gyflwynir gan y Pennaeth Cyllid i'w dosbarthu i'r aelodau er gwybodaeth.	Ar unwaith	Cyfarwyddwr Cyllid ac Adnoddau	Sleidiau a gylchredwyd. Awgrymu cau'r gweithrediad.

Allwedd Talfyridau				
PG	Prif Gwnstabl			
PSG	Prif Swyddog Gweithredol (SCHTh)			
PSC	Prif Swyddog Cyllid (SCHTh)			
CCA	Cyfarwyddwr Cyllid ac Adnoddau (HGC)			
Pennaeth Cyllid	Guto Edwards			
Pennaeth Caffael	Patricia Strong			
HMICFRS	Gwnaeth Arolygaeth Heddluoedd a Gwasanaethau Tân ac Achub (HMICFRS) Ei			
	Mawrhydi			
CA	Cydbwyllgor Archwilio			
HGC	Heddlu Gogledd Cymru			
SCHTH	Swyddfa'r Comisiynydd Heddlu a Throsedd			
СР	Cynorthwyydd Personol i'r PSG a'r PSC			
CHTh	Comisiynydd Heddlu a Throsedd			
ASP	Adran Safonau Proffesiynol (HGC)			
TIAA	Archwilio Mewnol			
SAC	Swyddfa Archwilio Cymru			



Cydbwyllgor Archwilio 06.10.21

Diweddariad Sefydliadol y SCHTh

1. Diweddariadau

Cynhaliwyd cyfarfod blaenorol y Cydbwyllgor Archwilio (CA) ar 4 Awst 2021. Bydd yr adroddiad hwn yn rhoi diweddariad i'r CA ar faterion SCHTh o bwys ers hynny.

2. Dirprwy Gomisiynydd Heddlu a Throsedd

Wedi proses agored, manwl a thryloyw, mae Mr Wayne Jones wedi'i ddewis fel ymgeisydd dewisol y Comisiynydd ar gyfer rôl Dirprwy CHTh. Bydd penodiad y cyn Dditectif Brif Uwcharolygydd Jones, a wasanaethodd fel Pennaeth Gwasanaethau Trosedd yn Heddlu Gogledd Cymru, yn mynd ger bron Panel Heddlu a Throsedd Gogledd Cymru i'w gadarnhau ar ddydd Llun 20 Medi.

3. Asesiad Anghenion Gwasanaethau Dioddefwyr

Mae manyleb wedi'i pharatoi er mwyn gwerthuso anghenion dioddefwyr ledled Gogledd Cymru o ran mynychder, galw a chymorth emosiynol ac ymarferol. Bydd yr adolygiad hwn yn galluogi'r Comisiynydd a SCHTh i wneud penderfyniadau gwybodus pan mae'n dod i gyllid gwasanaethau dioddefwyr yn y dyfodol a'r hyn mae gwasanaethau dioddefwyr ei angen. Mae hyn er mwyn cael eu comisiynu a'u cynorthwyo ledled y rhanbarth. Bydd hyn ar ben yr asesiad anghenion dioddefwyr a gwblhawyd yn wreiddiol yn 2014 ac a ysbrydolodd fframwaith comisiynu presennol SCHTh, (roedd yr adolygiad i fod i ddigwydd yn 2020 ond bu oedi oherwydd pandemig Covid-19). Bydd y gwerthusiad diweddaraf hwn yn rhoi cyfres o argymhellion clir er mwyn ysbrydoli darpariaeth gwasanaeth yn y dyfodol i ddioddefwyr ynghyd â chynllun gweithredu.

4. COMISIYNU

Cyflwynodd SCHTh geisiadau i Gronfa Cymorth Trais Rhywiol y Weinyddiaeth Gyfiawnder a llwyddodd i dderbyn £1,312.106 er mwyn cynorthwyo 16.4 o swyddi newydd cyfwerth ag amser llawn yng Ngogledd Cymru. Mae'r cyllid hwn am 2 flynedd a bydd yn sicrhau bod dioddefwyr trais domestig a thrais rhywiol yn cael cymorth, bod rhestrau aros yn lleihau gyda llwythi achos priodol.

Trais yn Erbyn Menywod, Cam-drin Domestig a Thrais Rhywiol (VAWDASV)

Mae Llywodraeth Cymru wedi dyrannu £267,954 ychwanegol i'r tîm VAWDASV rhanbarthol er mwyn cynorthwyo Hyfforddiant Angen ledled y rhanbarth. Mae cyllid pellach wedi'i ddyrannu i gynorthwyo gweithiau cyfalaf ac mae'r gwaith hwn yn parhau.

Awdur yr	Stephen Hughes, Prif Weithredwr
Adroddiad:	

CYDBWYLLGOR ARCHWILIO

06 Hydref 2021

Diweddariad Sefydliadol

Adroddiad gan Bennaeth Cyllid ac Adnoddau, Heddlu Gogledd Cymru

1. Cyflwyniad

Mae'r adroddiad hwn yn rhoi Diweddariad Sefydliadol lefel uchel i Heddlu Gogledd Cymru. Amlygir y prif faterion a digwyddiadau a effeithiodd y sefydliad am y cyfnod o 04.08.21 tan 10.09.21.

Dadansoddir y materion a'r digwyddiadau rhwng y pedwar categori Cyllid; Pobl, Dysgu ac Arloesedd; Gweithredol a Chyhoeddus / Cymunedol.

2. Cyllid

- Mae'r Datganiad o Gyfrifon wedi parhau i symud ymlaen gyda'r drafftiau terfynol sydd ar gael cyn ISA 260 a llofnodi cyfrifon sy'n ymddangos ar agenda JAC Hydref.
- Mae'r heddlu wedi cyflwyno ffurflenni CSR21 i'r Swyddfa Gartref a'r CCPSH fel rhan o'r broses ymgysylltu, y deellir eu bod yn ei dro wedi cyflwyno'r achos adnoddau ar gyfer Plismona i'r Trysorlys.

Erys y disgwyliadau ar gyfer Adolygiad o Wariant 3 blynedd er bod amseriad cyhoeddiadau yn y dyfodol yn parhau i fod yn ansicr. Mae'r cylch cynllunio sefydliadol ar gyfer FY2022-23 yn parhau i symud ymlaen yn seiliedig ar ragdybiaethau rhesymol yn y cyfamser.

- Cyhoeddwyd "ardoll iechyd a gofal cymdeithasol" newydd gan Lywodraeth y DU ar 07/09/21 i'w chyflwyno ledled y DU i dalu am ddiwygiadau i'r sector gofal a chyllid iechyd. Bydd y dreth yn dechrau fel cynnydd o 1.25% mewn Yswiriant Gwladol (NI) o fis Ebrill 2022, a delir gan gyflogwyr a gweithwyr. Yna bydd yn dod yn dreth ar wahân ar incwm a enillir o fis Ebrill 2023.
- Y disgwyl yw bod adrannau'r sector cyhoeddus yn cael eu digolledu am eu cyfraniad gan gyflogwyr i'r ardoll gan y Trysorlys ond mae angen sefydlu goblygiadau manylach mewn perthynas â'r agwedd hon, y gweithlu a sylfaen costau ehangach yr Heddlu.
- Cyhoeddodd y Swyddfa Ystadegau Gwladol naid sylweddol mewn chwyddiant ar gyfer mis Awst, gyda CPI yn cynyddu i 3.2% gyda chynnydd sylweddol mewn prisiau yn cael ei weld mewn sectorau penodol, gyda goblygiadau posibl i'r sylfaen costau ehangach.
- Mae amcanestyniadau ariannol wedi'u diweddaru i gyfnod 5 ac yn fras yn cyflwyno sefyllfa o fod 'ar y gyllideb' o safbwynt refeniw tra bod yr amcanestyniadau cyfalaf yn dangos tanwariant blwyddyn lawn gyda dim ond gwariant gwirioneddol cyfyngedig YTD. Mae'r agweddau gwariant cyfalaf yn parhau i fod yn faes ffocws.

3. Pobl, Dysgu ac Arloesedd

- Penodwyd Helen Wynne-Williams yn Bennaeth Technoleg am gyfnod penodol o 2 flynedd, o ganlyniad i broses recriwtio fewnol a gynhaliwyd 08.09.21. Bydd Helen yn dechrau yn ei swydd o 01.10.21. Bydd ei phrif ffocws yn parhau i ddatblygu'r gwaith strategaeth cyrchu TGCh a recriwtio i rolau allweddol y TOM.
- Mae PGC Sacha Hatchett wedi gadael ei rôl gyda HGC ddechrau mis Medi ar ôl cael ei phenodi'n DBG newydd yn Heddlu Swydd Gaerhirfryn. Mae Nigel Harrison wedi camu i rôl PGC sy'n dal y cylch gwaith gweithredol yn y cyfamser gyda threfniadau ar gyfer trefnu proses recriwtio ffurfiol maes o law.

- Mae'r DBG Richard Debicki wedi cymryd yr awenau fel Uwch Swyddog Cyfrifol ar gyfer y Rhwydwaith Ymchwilio i Wrthdrawiadau Fforensig, a arweiniwyd yn flaenorol gan PGC Hatchett, lle mae HGC yn gweithredu fel yr Heddlu lletyol Cenedlaethol ar ran Plismona'r DU.
- Bydd crynodeb lefel uchel ar y rhaglenni newid yn cael ei ddarparu i aelodau'r CA ar wahân ond mae elfennau i'w nodi yn cynnwys:
 - Cadarnhad gan y tîm NEP cenedlaethol ac NPRIMT fod HGC mewn sefyllfa i gyflwyno NEP yn llawn ar draws y sefydliad.
 - Mae'r ffrwd waith ap symudol symudol yn cyrraedd cam gwerthuso ar hyn o bryd.
 - Mae'r gwaith uwchraddio Gorchymyn a Rheoli critigol yn parhau i symud ymlaen gyda'r trefniadau cytundebol sydd bellach ar waith.

4. Gweithredol

- Ers adroddiad diwethaf CA, mae Cymru wedi trosglwyddo o lefel rhybudd 1 i lawr i lefel rhybudd
 Mae canllawiau PPE cenedlaethol yn parhau i fod ar waith ac mae HGC wedi cadw mesurau rhagofalus ychwanegol fel gwisgo mwgwd pan nad yw cadw pellter cymdeithasol o 2 fetr yn bosibl ac wrth symud o amgylch adeiladau'r heddlu.
- Arhosodd absenoldebau oherwydd Covid-19 o fewn yr heddlu yn gymharol isel yn ystod mis Awst a dechrau mis Medi gydag effaith Covid ynghyd ag unrhyw newidiadau yn y fframwaith rheoleiddio yn parhau i gael eu monitro'n agos.
- Mae data perfformiad diweddar wedi dangos cynnydd yn yr amseroedd ymateb canolrifol ar unwaith er bod hyn yn parhau o fewn terfyn yr heddlu o 10-12 munud. Mae galw mawr am hyn ar draws misoedd yr haf, gyda gogledd Cymru yn gweld lefelau uchel iawn o ymwelwyr i'r ardal.
- Mae dynladdiadau o flwyddyn i flwyddyn wedi gweld cynnydd diweddar yn rhoi galw ychwanegol ar adnoddau Ditectif ar draws yr heddlu. Mae hyn yn cael ei reoli drwy grŵp adnoddau Aur.
- Mae ffocws yn cael ei roi ar gyfraddau canlyniadau sy'n golygu bod troseddwr yn cael ei ddwyn i gyfiawnder naill ai drwy daliadau neu warediadau y tu allan i'r llys. Ar hyn o bryd rydym wedi gweld gostyngiad yn y canlyniadau hyn. Wrth i ni weld y galw'n gostwng o'i anterth parhaus dros fisoedd yr haf, bydd ymchwiliadau'n cael eu datblygu'n gyflymach a fydd yn rhoi gwell dealltwriaeth o'r sefyllfa. Bydd cyfraddau canlyniadau'n ymddangos mewn cyfarfodydd perfformiad gweithredol er mwyn cael gwell dealltwriaeth. Mae'r canlyniadau hyn yn llawn gwybodaeth am ein sefyllfa yn erbyn agweddau ar y Swyddfa Gartref, y Cynllun Trechu Trosedd ochr yn ochr â blaenoriaethau Cynllun Heddlu a Throsedd y Comisiynydd.
- Mae pwysau o fewn y systemau lechyd a WAST ehangach wedi parhau i gael effaith ar adnoddau HGC, gyda'r mater yn cael ei godi ar y cyd gan Blismona Cymru i Lywodraeth Cymru.
- Bydd HGC yn cynnal rhaglen brechu rhag y ffliw yn yr hydref ar gyfer staff nad ydynt yn gymwys i gael brechiad ar y GIG, er mwyn diogelu'r gwasanaeth a ddarperir yn ystod misoedd y gaeaf.

5. Cyhoeddus / Cymunedol

- Cafodd pobl yng Ngogledd Cymru gyfle i godi cwestiynau i Gomisiynydd Heddlu a Throsedd Gogledd Cymru a'r Prif Gwnstabl fel rhan o sesiwn holi ac ateb ar-lein a gynhaliwyd ym mis Awst.
- Ar ôl ymgysylltu â Phrif Swyddogion, cyflwynwyd Cynllun Heddlu a Throsedd y Comisiynydd Heddlu a Throsedd i'r Panel Heddlu a Throsedd i'w drafod yn y cyfarfod ar 20 Medi 2021.

6. Argymhellion

Aelodau'r Cydbwyllgor Archwilio i nodi adroddiad y Cyfarwyddwr Cyllid ac Adnoddau.





Cydbwyllgor Archwilio

Medi 2021

Teitl:	Diweddariad HMICFRS		
Awdur:	Prif Arolygydd David Cust		
Diben yr adroddiad:	Diweddariad yn ymwneud ag adroddiadau HMICFRS		
Cyflwynir yr adroddiad i'r CA ar gyfer:	Penderfyniad		
(ticiwch un)	Trafodaeth		
	□ Sicrwydd		
	X Gwybodaeth		
Crynodeb / Pwyntiau Allweddol:	Ym mis Gorffennaf, cafodd HGC Arweinydd Cyswllt Heddlu newydd sef Gary Ashton. Roedd ein harweinydd blaenorol yn methu treulio unrhyw amser o fewn HGC oherwydd galwadau gyda heddlu arall. Amlygwyd a chydnabuwyd hyn yn HMICFRS a dyna'r rheswm am y gweithiwr newydd.		
	Mae Tîm Cyswllt HMICFRS HGC wedi cael nifer o alwadau cynhadledd gyda' Arweinydd Cyswllt newydd, gyda'r mwyaf diweddar yn drafodaeth hir gyda chyfle i fynd drwy bob un Maes i'w Wella ac Argymhelliad. Roedd hyn felly'r gyfnod cynhyrchiol. Yn hanfodol, nodwyd nifer o Feysydd i'w Gwella ac Argymhellion i'w cau yn ystod y drafodaeth hon. Mae'r berthynas yr ymddangos fel un galonogol, gyda mewnbwn a chyfeiriad rheolaidd. Mae HMICFRS wedi mabwysiadu ymdriniaeth newydd i'w gwaith arolygu PEEL. Maent bellach yn dilyn proses o arolwg parhaus ledled holl feysydd plismona. Fel arfer, gwneir yr arolwg ar y safle llawn (neu o bell yn ddibynno ar COVID). Gwnaeth yr Arweinydd Cyswllt amlinellu'n glir i'r tîm nad yw Meysydd i'w Gwella PEEL sy'n weddill yn debygol o gael eu cymeradwyo hyd		
	nes bod yr arolwg wedi digwydd. Felly, hyd yn oed os ydynt wedi'u cwblhau gan HGC a'i gytundeb, byddant dal i ddangos fel wedi'u neilltuo i HGC. Mae HGC wedi derbyn nifer o adroddiadau arolwg mawr, gan gynnwy Arolwg Cenedlaethol Amddiffyn Plant, ac adolygiad o ymchwiliadau troseddau rhyw. Mae hyn yn ychwanegol at y maes cynyddol o Gwynion Uwch. Mae tri arolwg ac adroddiad Cwynion Uwch hyd yma, gyda'r tri yn arwain at argymhellion (pymtheg argymhelliad i gyd).		
	Meysydd i'w Gwella Ar hyn o bryd mae gan HGC bymtheg maes i'w gwella (AFI) wedi'u cofnod gan HMICFRS. Mae naw yn disgwyl i HMICFRS weithredu er mwyn adolygu neu gymeradwyo fel boddhaol. Mae pedwar arall wedi'u cwblhau gan HGC ond maent yn disgwyl presenoldeb HMICFRS mewn paneli craffu er mwyr tystio bod y Meysydd i'w Gwella wedi'u bodloni. Mae hyn yn gadael dau faes i'w gwella sydd angen gwaith pellach o fewn HGC i'w datrys. Mae cynnydd da yn cael ei wneud yn y ddau faes. Nid oes achos i bryderu i'w amlygu ar hyn o bryd.		
	Argymhellion Mae naw deg un o argymhellion wedi'u rhestru ar Borth Monitro HMICFR Heddlu Gogledd Cymru. Mae pedwar deg dau o'r rhain wedi cyrraedd o fewr		

HEDDLU GOGLEDD (Gogledd Cymru diogelac	SWYDDFA COMISIYNYDD HEDDLU A THROSEDD GOGLEDD CYMRU OFFICE OF THE POLICE & CRIME COMMISSIONER NORTH WALES
	y 6 mis diwethaf). Fodd bynnag, nid yw dau ddeg pedwar o'r rhai hynny ar gyfer yr heddlu. Maent ar gyfer ROCU, y Coleg Plismona, y Weinyddiaeth Gyfiawnder, neu Arweinwyr CCPSH. Mae hyn yn gadael chwe deg saith ar gyfer Heddlu Gogledd Cymru. O'r rhain, mae dau ddeg un yn disgwyl gweithredu pellach gan HMICFRS (un ai mewnwelediad/adolygiad/cymeradwyaeth FLL). Mae hyn yn gadael pymtheg o argymhellion sydd angen cynnydd gan Heddlu Gogledd Cymru. Perchnogaeth glir gyda chynnydd yn cael ei wneud er mwyn bodloni'r meysydd hyn yn y misoedd i ddod. Ar hyn o bryd nid oes meysydd sy'n achosi pryder a fydd yn atal rhain rhag cael eu cwblhau gyda diweddariadau amserol yn cael eu gwneud i'r Bwrdd Dysgu Sefydliadol bob chwech wythnos.
Argymhellion:	
Effaith cofrestr risgiau:	
Goblygiadau sicrwydd:	
Effaith Cydraddoldeb:	
Gwybodaeth wedi'i heithrio o ddadleniad:	





Cydbwyllgor Archwilio Dyddiad y Cyfarfod: 6 Hydref 2021

Teitl:	Adroddiad Rheoli Mewnol
Awdur:	Anne Matthews, Swyddog Cyllid a Chyllidebau Seb Phillips, Cyfarwyddwr Cyllid ac Adnoddau
Diben yr adroddiad:	Rhoi trosolwg i'r Cydbwyllgor Archwilio am weithgarwch Rheoli Mewnol o fewn yr Heddlu
Cyflwynir yr adroddiad i'r CA ar gyfer: (ticiwch un)	 □ Penderfyniad □ Trafodaeth ✓ Sicrwydd □ Gwybodaeth
Crynodeb / Pwyntiau Allweddol:	 Mae'r adroddiad yn canolbwyntio ar weithgarwch rheoli Mewnol allweddol o ran: Statws argymhelliad o Archwiliadau TIAA blaenorol Ymateb y rheolwyr ynghylch Nodiadau Briffio Cleientiaid (CBNs) a Rhybuddion Twyll gan gynnwys y rhai a gyhoeddwyd yn y cyfnod Archwiliadau TIAA yn y cyfnod Crynodeb o'r camau a gymerwyd mewn perthynas ag archwiliadau cyfyngedig Cynllun Archwilio Mewnol terfynol 2021-22 Diweddariadau Gweithredu Archwilio Mewnol o ran Gweithrediadau CA 04/08/2021 Crynodeb Mae 6 tudalen gyntaf yr adroddiad yn rhoi trosolwg gyda'r 10 tudalen ganlynol sy'n darparu gwybodaeth atodol drwy Atodiadau, pe bai angen. Mae pwyslais arbennig yn yr adroddiad yn canolbwyntio ar gynnydd o ran yr archwiliadau sicrwydd cyfyngedig diweddar a'r camau dilynol sy'n deillio o'r CA a gynhaliwyd ar 04/08/21.
Argymhellion:	Dim
Effaith Cofrestr Risgiau:	Mae canfyddiadau rheoli TIAA, Nodiadau Briffio Cleientiaid a Rhybuddion Twyll wedi cael eu hystyried i'w hadlewyrchu ar Gofrestr Risgiau'r Heddlu.

	SWYDDFA COMISIYNYDD	HEDDLU
Gogledd Cymru diogelac Goblygiadau Sicrwydd:	Mae'r adroddiad hwn yn uniongyrchol berthnasol at Weithgarwch Rheoli Mewnol yn rhoi Sicrwydd yn Heddlu Gogledd Cymru.	& CRIME
Effaith Cydraddoldeb:	Dim	
Gwybodaeth wedi'i Heithrio o Ddadleniad:	Amherthnasol - Holl gynnwys yn y Sesiwn Agored	



CYDBWYLLGOR ARCHWILIO

ADRODDIAD RHEOLI MEWNOL - 6 Hydref 2021

ADRODDIAD COMISIYNYDD HEDDLU A THROSEDD A PHRIF GWNSTABL GOGLEDD CYMRU

1. CYFLWYNIAD

Diben yr adroddiad hwn yw cynnig diweddariad ar Weithgarwch Rheoli Mewnol ers y Cydbwyllgor Archwilio diwethaf. Mae'n seiliedig ar wybodaeth a dderbyniwyd ac a gofnodwyd erbyn 09/09/2021. Y nod yw ychwanegu papurau TIAA a dderbyniwyd gan CA gyda golwg ar roi sicrwydd ychwanegol.

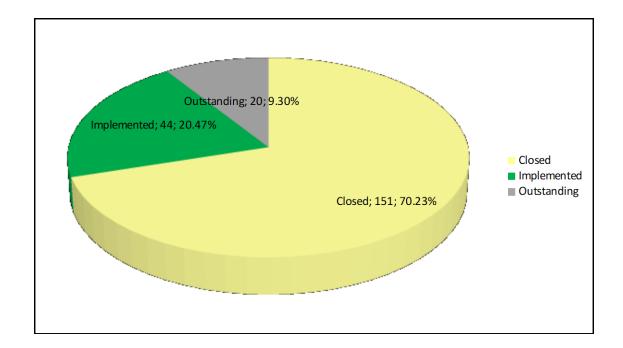
Disgwylir fod gweithgarwch pellach wedi digwydd erbyn cyfarfod mis Hydref o'r CA ei hun, a bydd diweddariad ar lafar ar sail eithriadol yn y cyfarfod.

Mae'r adroddiad yn canolbwyntio ar weithgarwch rheoli Mewnol allweddol o ran:

- Statws argymhelliad o Archwiliadau TIAA blaenorol
- Ymateb y rheolwyr ynghylch Nodiadau Briffio Cleientiaid (CBNs) a Rhybuddion Twyll gan gynnwys y rhai a gyhoeddwyd yn y cyfnod
- Archwiliadau TIAA yn y cyfnod
- Crynodeb o'r camau a gymerwyd mewn perthynas ag archwiliadau cyfyngedig
- Cynllun Archwilio Mewnol terfynol 2021-22
- Diweddariadau Gweithredu Archwilio Mewnol o ran Gweithrediadau CA 04/08/2021
- Crynodeb

2. STATWS ARGYMHELLIAD ARCHWILIADAU TIAA

Amlinellir y sefyllfa ar argymhellion Archwilio Mewnol 2021/2022 ar 09/09/2021 isod, gyda'r nifer o argymhellion nodedig yn dringo o'r lefelau a welwyd mewn adroddiadau blaenorol oherwydd bod nifer o archwiliadau wedi'u cwblhau'n ddiweddar:



Mae symudiad ers cyfarfod diwethaf y CA fel yr isod:

- 1 argymhelliad ychwanegol (newydd) yn ymwneud â'r archwiliad TGCh Seiberdroseddu a dderbyniwyd a weithredwyd yn ystod yr archwiliad.
- 6 argymhelliad (presennol) wedi'u gweithredu.
- Crynodeb o 7 o'r argymhellion sydd wedi'u gweithredu ers cyfarfod mis Awst i'w cael isod:

ID	Archwiliad	Blaenoriaeth	Cofnod Statws	Nifer Argymhellon
247498	Treuliau a thaliadau ychwanegol 20/21	2	Presennol	1
248258	Sicrwydd Data 20/21	3	Presennol	1
250326	20/21 Rhanbarth y Dwyrain - Uned Reoli	2	Presennol	1
252009	20/21 Eiddo y Codir Tâl Amdano	3	Presennol	1
252119	21/22 Rhanbarth y Gorllewin - Uned Reoli	3	Presennol	1
252198	21/22 Rheolaeth lechyd a Diogelwch	3	Presennol	1
253448	21/22 TChG - Pensiynau - Diogelwch Seiber*	2	Newydd	1
Cyfanswi	n			7

Mae'r argymhellion a gariwyd ymlaen yn parhau i gael eu monitro a'u dilyn yn rheolaidd.

Amlinellir y cyfanswm crynodol o 44 o argymhellion a weithredwyd ers archwiliad dilynol TIAA ym mis Chwefror 2021 ar 09/09/2021 isod:

Crynodeb Statws - Gweithredwyd	Categori	Na
Gweithredwyd ar neu cyn y dyddiad dyledus gwreiddiol	Cat 1	32
Gweithredwyd ar neu cyn y dyddiad dyledus diwygiedig		
1af	Cat 2	4
Gweithredwyd ar neu cyn yr 2il ddyddiad dyledus		
diwygiedig	Cat 3	0
Gweithredwyd ar neu cyn y 3ydd dyddiad dyledus		
diwygiedig	Cat 4	1

Gweithredwyd ar neu cyn y 4ydd dyddiad dyledus		
diwygiedig	Cat 5	0
Gweithredwyd ar neu cyn y 5ed dyddiad dyledus		
diwygiedig	Cat 6	0
Gweithredwyd ar ôl y dyddiad dyledus gwreiddiol a/neu		
diwygiedig	Cat 7	7
		44

Amlinellir hefyd y dadansoddiad o'r 20 o argymhellion sy'n weddill ar 09/09/2021 isod:

Crynodeb Statws - Argymhellion sy'n Weddill	Categori	Na
Nifer yr Argymhellion - dal ar y dyddiad dyledus	Cat 1	12
gwreiddiol	Cat 1	12
Nifer yr Argymhellion - dyddiad dyledus diwygiedig 1af	Cat 2	6
Nifer yr Argymhellion - 2il ddyddiad dyledus		
diwygiedig	Cat 3	1
Nifer yr Argymhellion - 3ydd dyddiad dyledus		
diwygiedig	Cat 4	0
Nifer yr Argymhellion - 4ydd dyddiad dyledus		
diwygiedig	Cat 5	0
Nifer yr Argymhellion - 5ed dyddiad dyledus		
diwygiedig	Cat 6	0
Nifer Argymhellion - Hwyr	Cat 7	1
		20

Mae pwyslais ar geisio sicrhau bod y dyddiadau cau cychwynnol a osodwyd yn briodol ac yn realistig (er mwyn sicrhau nad yw diwygio dyddiadau'n digwydd wrth gwrs) yn aros mewn lle.

Ceir dadansoddiad o'r 20 argymhelliad nodedig a sut maent yn cyfateb i bob archwiliad ar Atodiad 1.

Ceir y sefyllfa ddiweddaraf a diweddariad o ran y 2 argymhelliad heb eu cyflawni yn Atodiad 2. Mae hyn yn cynnwys y Swyddog Cyfrifol ar gyfer pob cam gweithredu sy'n weddill gyda rolau, yn hytrach nag enwau unigol a gynhwysir yn yr adroddiad.

3. YMATEB RHEOLI YNGHYLCH NODIADAU BRIFFIO CLEIENTIAID (CBNS) A RHYBUDDION TWYLL GAN GYNNWYS Y RHAI A GYHOEDDWYD YN Y CYFNOD

Math	Dim cofnod	Angen Gweithredu	Agored Penderfyniadau	
CBNs – 19016 i 21025	35	0	0	
Rhybuddion Twyll	16	0	0	

Dangosir y statws presennol ar CBNs a Rhybuddion Twyll isod:

Adolygwyd a datblygwyd Nodiadau Briffio Cleientiaid a Rhybuddion Twyll a dderbyniwyd yn y cyfnod gan y tîm rheoli.

Ni chyhoeddwyd unrhyw rybuddion twyll yn y cyfnod rhwng 06/07/2021 a 06/09/2021; dau CBNs a gyhoeddwyd - un i'w nodi ac un er gwybodaeth yn unig; dosbarthwyd y ddau i adrannau perthnasol.

4. ARCHWILIADAU TIAA YN Y CYFNOD

Cyhoeddwyd un archwiliad TIAA yn y cyfnod hyd at 06/07/2021 i 09/09/2021 a gafodd ei raddio'n Rhesymol; adlewyrchir manylion pellach am yr archwiliad hwn a'r canfyddiadau cysylltiedig yn adroddiad TIAA SICA.

5. Y WYBODAETH DDIWEDDARAF AM DDAU ARCHWILIAD SICRWYDD CYFYNGEDIG

Eiddo sy'n Ddarostyngedig i Dâl (PSTC) – Sicrwydd Cyfyngedig

Ar hyn o bryd mae 3 argymhelliad sy'n weddill:

- 1 argymhelliad brys (lefel blaenoriaeth 1) i'w gwblhau 30/11/2021
- 1 argymhelliad pwysig (blaenoriaeth lefel 2)
- 1 argymhelliad arferol (lefel blaenoriaeth 3)

Camau a gymerwyd gan y Rheolwr Eiddo Atafaelwyd ar 09/09/2021

• Statws presennol yr arddangosion a archwiliwyd i'r swyddog (Blaenoriaeth Lefel 1):

Nifer yr Arddangosion a dynnwyd allan gan Swyddogion							
Blwyddyn	Amser yr Archwiliad	26/05/2021	30/06/2021	31/07/2021	31/08/2021		
2009/10	75	0	0	0	0		
2010/11	27	0	0	0	0		
2013	24	2	1	1	1		
2014			2	2	1		
2015	85	10	6	6	7		
2016	732	247	11	5	0		
2017	1009	836	37	15	5		
2018	1092	857	303	53	38		
2019	2633	2375	2245	1459	1153		
2020	2592	2091	2016	1778	1374		
2021	978	895	1060	1345	1451		
Cyfanswm	9247	7313	5681	4664	4030		
Heb Chwystrellyddion Captor		-1080	-1046	-1074	-1078		
Balans	9247	6233	4635	3590	2952		

- Mae Eiddo wedi'i Atafaelu ar gofrestr Risg yr Heddlu Risg 75
- Cyfarfodydd Uwch Dim Rheoli Dwyrain, Canol a Gorllewin a fynychwyd ym mis Mai 2021; anfonwyd e-bost at Arweinydd y cyfarfod i grynhoi trafodaeth/rhaeadru i swyddogion/staff yn eu hardal.
- Mae sesiynau Mewnbwn Swyddog/SCCH newydd wedi parhau ers mis Mai lle tynnir sylw at argymhellion yr archwiliad; mae hyn yn profi'n fuddiol ac mae adborth da yn cael ei dderbyn gan y swyddogion/staff.
- Mae gan Reolwr Eiddo Wedi'i Atafaelu adran o fewn y sesiynau Mewnbynnu sy'n ymroddedig i bwysigrwydd cofnodi arddangosion yn gywir/manwl ar ddogfen A938 a bagiau tystiolaeth i sicrhau eu bod yn cyfateb.
- Mae eiddo wedi'i atafaelu yn lledaenu'r wybodaeth ofynnol i gynifer o swyddogion â phosibl drwy dasgau/diweddariadau e-bost; cyhoeddwyd e-bost pellach ym mis Medi i'r Holl Swyddogion/Staff i'w hatgoffa o bwysigrwydd cynnwys cymaint o fanylion â phosibl yn eu disgrifiadau arddangos.
- Penderfynwyd mai'r ymateb mwyaf ymarferol i'r 3 argymhelliad sy'n weddill ynghylch eiddo a archwiliwyd i'r swyddog oedd llunio "Angen Gwybod"; mae hyn wedi'i gwblhau ac mae'n cael ei adolygu ar hyn o bryd. Ar ôl ei gymeradwyo, caiff hyn ei ddosbarthu a'i gyhoeddi ar fewnrwyd yr Heddlu.

Camau pellach i'w cymryd:

- Bydd y Rheolwr Eiddo a Atafaelwyd yn mynychu cyfarfod y Grŵp Trosedd Economaidd unwaith y bydd wedi'i drefnu.
- Darparu sesiynau briffio rota unwaith mae'n ddiogel gwneud hyn.
- Cyhoeddi a dosbarthu "Angen gwybod".

Rheoli Iechyd a Diogelwch - Sicrwydd Cyfyngiedig

Ar hyn o bryd mae 3 argymhelliad sy'n weddill:

- 1 argymhelliad brys (lefel blaenoriaeth 1)
- 1 argymhelliad pwysig (blaenoriaeth lefel 2)
- 1 argymhelliad arferol (lefel blaenoriaeth 3)

Camau a gymerwyd gan y Rheolwr Eiddo Atafaelwyd ar 09/09/2021

- Mae argymhellion lechyd a Diogelwch ar gofrestr risg yr Heddlu Risg rhif 76.
- Mae dogfennau unigol "Angen Gwybod "(NTK) i'w paratoi gan yr Uwch Dim Rheoli a'i ddosbarthu ar wahanol adegau i
 gwmpasu, cyfrifoldebau Rheolwyr Llinell: Adroddiadau RIDDOR, Anafiadau ar Ddyletswydd, Ger Adroddiadau DSE gan
 staff y maent yn gyfrifol amdanynt cwblhawyd drafftiau terfynol NTK 02/09/2021, a gyflwynwyd i'w cymeradwyo, ar
 ôl eu cymeradwyo, byddant yn cael eu dosbarthu Ar Draws yr Heddlu a'u cyhoeddi ar fewnrwyd yr Heddlu.
- HSM i godi ymwybyddiaeth ar Wefan IECHYD A DIOGELWCH.
- Cytunwyd â Goruchwyliwr Hyfforddi Aseswyr y bydd HSM yn mynychu Cyrsiau Arweinyddiaeth yn y dyfodol ar gyfer Rolau Rhingyllod, Arolygwyr a Staff cyfatebol yr Heddlu sydd newydd eu hyrwyddo i dynnu sylw at bwysigrwydd/gweithdrefnau cywir: materion a godwyd yn adroddiad archwilio TIAA. Bydd y cwrs cyntaf ar 06/09/21

Rhwng mis Mai a mis Awst mynychodd yr HSM y cyfarfodydd canlynol; dosbarthodd y Cadeirydd Uwcharolygydd/Prif Uwcharolygydd e-byst Forcewide a/neu i'w hardaloedd.

- o Grŵp Ymgynghori Gwasanaethau Corfforaethol
- Cyfarfod GPLI Canolog, Rheolwr Busnes ac Adnoddau Dynol
- o Grŵp Ymgynghori GPLl y Gorllewin
- Cyfarfod Ymgynghori Staff OSS
- Tîm Uwch Reoli GPLI Tynnodd Rheolwyr Busnes sylw at y gofyniad i reolwyr llinell gwblhau a chofnodi canfyddiadau /ymchwiliadau ar ôl cyflwyno adroddiadau am anafiadau/colled agos. Erbyn hyn, mae gan Reolwyr Busnes fynediad i'r system adrodd IECHYD A DIOGELWCH ac maent yn cynorthwyo'r uned IECHYD A DIOGELWCH i fynd ar drywydd Rheolwyr Llinell sy'n gweithio'n dda.
- Yn ystod Cyrsiau Rheoli'n Ddiogel IOSH yn ddiweddar, ymdriniodd yr Hyfforddwr a minnau â'r elfen bwysig hon o IECHYD A DIOGELWCH yn ystod y cyflwyniad.
- Cyfarfod HSM Dosbarthodd y Prif Arolygydd e-bost "IECHYD A DIOGELWCH Cofnodi Anafiadau, Near Misses & DSEs – Cyfrifoldeb Goruchwyliwr".

Mae gwelliant yn cael ei weld o ganlyniad i gefnogaeth yr Uwch Dimau Rheoli ynghyd â gwaith monitro'r Gweinyddwr Iechyd a Diogelwch a herio Rheolwyr Llinell pan nad yw'r adroddiadau wedi'u cwblhau.

Bydd HSM yn parhau i fynychu ac ailadrodd negeseuon IECHYD A DIOGELWCH allweddol mewn cyfarfodydd ymgynghori â staff yn y dyfodol.

Camau pellach gytunwyd i'w cymryd

- Cyflwyniad yn cael ei baratoi gan Hyfforddwr ar gyfer Prif Swyddogion ar elfennau allweddol o lechyd a Diogelwch ac yn arbennig y canfyddiadau a'r argymhellion y cyfeirir atynt yn adroddiad archwilio TIAA – cyfrifoldebau Rheolwyr Llinell. Bydd HSM yn bresennol yn ystod cyflwyniad 3 – 4 awr. Dyddiadau i'w cytuno eto
- Ystyried y Prif Swyddog i wneud blog fideo ar y pwnc gyda phwyslais ar faterion a nodwyd yn adroddiad archwilio TIAA
- Chwilio am hyrwyddwr (lefel CO) ar gyfer Iechyd a Diogelwch
- Cyhoeddi a dosbarthu "Angen gwybod".

Mae dyddiadau dyledus gwreiddiol yr argymhellion wedi'u diwygio i 18/10/2021 er mwyn caniatáu ar gyfer cymeradwyo, cyhoeddi a dosbarthu'r "Angen Gwybod".

6. CYNLLUN ARCHWILIO MEWNOL 2021-22

Mae cynllun archwilio mewnol 2021/22 wedi'i gwblhau.

- 17 Archwiliadau HGC 3 archwiliad wedi'u cwblhau, 2 ar y gweill ar hyn o bryd, 12 wedi'u harchebu i mewn. Mae HGC wedi optio allan o'r archwiliad Cydweithio Ystwyth a bydd yn gwneud hyn ar wahân ym mis Ionawr 2022.
- 10 Archwiliad cydweithredol (4 Heddluoedd Cymru) –1 ar y gweill ar hyn o bryd, 8 wedi'u harchebu mewn, 1 archwiliad
 Gwrth-dwyll eto i'w gadarnhau gan y 3 Heddlu arall yng Nghymru ond wedi'u harchebu gyda HGC.

7. DIWEDDARIADAU GWEITHREDU ARCHWILIO MEWNOL O RAN GWEITHREDIADAU CA 04/08/2021

Codwyd pedwar cam gweithredu mewn perthynas ag Archwilio Mewnol a ddeilliodd o'r CA ar 04/08/2021.

AP1 - Bydd cyfarfod yn cael ei drefnu rhwng y Prif Weithredwr/Cyfarwyddwr Cyllid ac Adnoddau/Pennaeth Cyfleusterau ynghylch sut y gallai'r Comisiynydd graffu orau ar y gwaith lechyd a Diogelwch sy'n cael ei wneud o fewn Heddlu Gogledd Cymru.

Diweddariad: 09/09/2021 – Mae cyfarfod i drafod rôl bosibl Swyddfa'r Comisiynydd ymhellach yn cael ei drefnu.

AP2 - Cyfarwyddwr Cyllid ac Adnoddau i drafod cynnwys Iechyd a Diogelwch ar y rhaglen waith Archwilio Mewnol a chael ei gynnwys ar agenda'r Cydbwyllgor Archwilio yn y dyfodol.

Diweddariad: 09/09/2021 – Trafodwyd yr angen i adlewyrchu IECHYD A DIOGELWCH yn y rhaglen waith gyfredol gan y DFR, HoF a'r Swyddog Cyllid a Chyllideb ar 03/09/2021. Pwyntiau allweddol o'r trafodaethau hyn oedd:

- Y canfyddiad cyfyngedig o archwiliad IECHYD A DIOGELWCH oedd archwiliad C1 o raglen Archwilio 2021-22 (yn hytrach na bod yn archwiliad o C2 2020-21).
- Fel mater o broses, bydd hyn yn destun archwiliad dilynol arferol gan TIAA ym mis Chwefror 2022.
- At hynny, mae'r risg IECHYD A DIOGELWCH a ychwanegwyd at gofrestr risg yr heddlu yn dilyn yr archwiliad (ac mae'n ddarostyngedig i broses rheoli risg yr Heddlu) wedi'i threfnu ar gyfer y risg yn ddwfn yng nghyfarfod JAC ym mis Hydref 2021 gan roi cyfle pellach i graffu a monitro cynnydd.
- Yn olaf, cytunwyd y dylid trefnu archwiliad IECHYD A DIOGELWCH yn rhaglen Archwilio Mewnol FY2022-23 i sicrhau bod cynnydd priodol wedi'i wneud ac felly cymerodd y Swyddog Cyllid a Chyllideb hynny fel cam gweithredu o'r cyfarfod yn unol â hynny.

AP3 - Cyfarwyddwr Cyllid ac Adnoddau i godi ar lefel Prif Swyddogion bod angen ymgysylltu ymhellach â swyddogion er mwyn sicrhau cydymffurfiaeth â'r broses eiddo atafaelwyd.

Diweddariad: 09/09/2021 – Mae'r archwiliadau sicrwydd cyfyngedig mewn perthynas â IECHYD A DIOGELWCH ac Eiddo Atafaelwyd wedi'u codi a'u hadrodd i lefel y Prif Swyddogion drwy'r fforymau Llywodraethu canlynol:

- 28/05/2021: Cynghorodd DFR Brif Swyddogion Canfyddiad Archwilio Cyfyngedig Drafft i gael gwybodaeth.
- 09/06/2021: Archwiliadau Sicrwydd Cyfyngedig o Eiddo IECHYD A DIOGELWCH ac Eiddo Atafaelwyd riportwyd i'r Bwrdd Cyllid Strategol ac Adnoddau (dan gadeiryddiaeth DFR).
- 20/07/2021: Archwiliadau Sicrwydd Cyfyngedig o IECHYD A DIOGELWCH ac Eido Atafaelwyd a adroddwyd i'r Bwrdd Rheoli Strategol (dan gadeiryddiaeth CC).

Mae unrhyw gamau gweithredu ar lefel Prif Swyddog mewn perthynas â naill ai IECHYD A DIOGELWCH neu Eiddo Atafaelwyd yn parhau i gael eu monitro naill ai drwy argymhellion archwilio TIAA neu'r cynlluniau gweithredu sy'n gysylltiedig â phob Risg a adlewyrchir ar gofrestr risg yr Heddlu.

AP4 - Cyfarwyddwr Cyllid ac Adnoddau/Archwilio Mewnol i ystyried diwygio'r C3 a C4 i gynnwys materion a godwyd yn y cyfarfod.

Paratowyd y cynllun archwilio ar gyfer FY2021-22 gan ystyried y dirwedd risg gan TIAA a thîm rheoliHGC. Mae'r cynllun wedi'i gwblhau ar gyfer FY2021-22 yn unol â'r sylwadau yn adran 5. Amlinellir ystyriaeth i'r archwiliad IECHYD A DIOGELWCH uchod. Yn yr un modd, bydd yr archwiliad Eiddo Atafaelwyd yn destun gwaith dilynol ar yr argymhellion ym mis Chwefror 2022.

Er gwybodaeth, yn ystod yr archwiliad dilynol, gwiriwch argymhellion agored a gweithredwyd TIAA; lle bo'n berthnasol, bydd TIAA yn adolygu tystiolaeth o argymhellion a weithredwyd ac yn trafod argymhellion agored gydag arweinydd yr adran. Mae argymhellion agos TIAA unwaith y byddant wedi'u bodloni yn gyflawn neu'n diweddaru'r porth TIAA gyda'r cynnydd y maent wedi'i weld ar argymhellion agored.

Felly, ar hyn o bryd, y cynnig yw parhau i ddatblygu'r cynlluniau gweithredu sy'n deillio o archwiliadau, parhau i fonitro'r risgiau drwy gofrestr risg yr heddlu ac yna ail-werthuso'r sefyllfa ym mis Chwefror 2022 i sicrhau bod meysydd y mae angen eu dilyn ymhellach yng nghynllun archwilio'r flwyddyn nesaf yn cael eu hadlewyrchu'n briodol. Fodd bynnag, er gwaethaf yr uchod, y disgwyliad yw bod IECHYD A DIOGELWCH ac Eiddo Atafaelwyd yn destun archwiliad fel rhan o gynlluniau archwilio FY2022-23.

8. CRYNODEB

Darperir yr adroddiad hwn i'r Cydbwyllgor Archwilio i roi sicrwydd ynghylch y gweithgarwch rheolaeth fewnol sy'n digwydd yn ystod y cyfnod.

Dylid ei ddarllen ar y cyd ag adroddiad SICA TIAA ac fe'i hategir gan y rhestrau rheolaeth fewnol fanwl a rennir gydag aelodau'r CA ynghyd ag adroddiadau archwilio mewnol TIAA sydd hefyd yn cael eu rhannu'n rheolaidd.

Atodiad 1

Na	ID	Service	Job	Year	Risk Area	Туре	Recs monitored via	Linked to risk Register
001	244672	Internal Audit	Cyber Security	2019	Compliance Risk	Existing	Quarterly Joint Governance Board	60 Cyber risk
002	237156	ICT Audit	GDPR Compliance Audit PO No FN27625	2018	Operational Risk	Existing	Quarterly Joint Governance Board	72 Data Protection Compliance
003	242655	Internal Audit	Collaborative Review - Single Online Home	2019	Operational Risk	Existing	Quarterly Joint Governance Board	46 Digital Transformation
004	244459	Internal Audit	Governance - Corporate Communications	2019	Directed Risk	Existing	Quarterly Joint Governance Board; Monthly Performance Review	-
005 006 007 008 009 010	249421 249422 249423 249424 249425 249425 249426	ICT Audit	20/21 Collaborative Project Review – Office 365	2020	Directed Risk	Existing	Quarterly Joint Governance Board; Digital Transformation Board	46 Digital Transformation Programme
011	251509	Internal Audit	20/21 Fleet Management – Repairs	2020	Directed Risk	New	Quarterly Joint Governance Board; Quarterly Vehicle user group which reports into the quarterly Strategic Finance Resources Board meetings.	-
012 013 014	251995 251998 252006	Internal Audit	20/21 Property Subject to Charge	2020	Directed Risk	New	Quarterly Joint Governance Board; Business SMT meetings; F & R SMT meeting	75 PTSC
015 016 017	252116 252117 252118	Internal Audit	21/22 Western Area - Command Unit	2021	Directed Risk	New	Quarterly Joint Governance Board; Quarterly H & S meeting	-
018 019 020	252193 252195 242197	Internal Audit	21/22 Health and Safety Management	2021	Delivery Risk	New	Quarterly Joint Governance Board; Quarterly H & S meeting; F & R SMT meeting	76 Health & Safety

Appendix 2 – Latest Management Response relating to Outstanding Recommendations

<u>Overview</u>

Priority Level					
-	No	Responsible Officer	Original Due Date	Revised Due Date	No of Recs
	012	Cained Duranethy Manager	20/11/2021		1
1	012	Seized Property Manager Health & Safety Manager	<u> </u>	18/10/2021	1
1 Total	018		01/05/2021	18/10/2021	2
2	001	NWP PMO Programme Management Office/NWP ICT	31/07/2021	31/03/2022	1
	003	Project Manager	30/10/2020	31/08/2021	1
	004	CEO, OPCC	30/09/2021		1
	005	Superintendent, SMT, Corporate Services	31/03/2022		1
	006	Superintendent, SMT, Corporate Services	31/03/2022		1
	007	Superintendent, SMT, Corporate Services	31/03/2022		1
	008	Superintendent, SMT, Corporate Services	31/03/2022	31/07/2022	1
	009	Superintendent, SMT, Corporate Services	30/09/2023		1
	013	Archive and Support Services Manager/ Seized Property Manager	30/09/2021		1
	015	Health & Safety Administrator	01/09/2021		1
	019	Health & Safety Administrator and Health & Safety Manager	01/09/2021	18/10/2021	1
2 Total					11
3	010	Superintendent, SMT, Corporate Services	30/09/2022		1
	011	Fleet Manager	30/04/2022		1
	002	Programme Manager, Corporate Programme Office	31/03/2020	31/03/2022	1
	014	Archive and Support Services Manager/ Seized Property Manager	30/09/2021		1
	016	Health & Safety Administrator and Health & Safety Manager	01/09/2021		1
	017	Health & Safety Administrator	01/10/2021		1
	020	Health & Safety Manager	01/08/2021	18/10/2021	1
3 Total					7
Grand Total					20

Latest updates

No	ID	Job	Recommendation	Priority	Management Comments		Due Date	Revised	Latest Response
001	244672	Cyber Security	The Microsoft Enterprise Mobility and Security suite available to North Wales Police through the National Enabling Programme be fully leveraged to improve cyber security.	2	EMS is clearly part of the overall NEP Programme, and NWP have no intention of deviating from the NEP Blueprint, except potentially in continuing to make use of the Lumension product initially, because of its reporting capabilities required by NWP IS&C.NWP PMO Programme Management Office will be managing the overall NEP programme, but a fully approved timetable as yet isn't clearly mapped out, other than those anticipated milestones identified within the Implementation Timetable column.	Officer NWP PMO Programme Management Office/NWP ICT	31/07/2021	Due Date 31/03/2022	02/02/2021 Update received from Programme Manager Timelines for our deployment are now confirmed but our decision to use the Microsoft Enterprise Mobility and Security Suite will depend on the NEP Blueprint and our own internal requirements for reporting with Lumension. We will review this as we implement NEP over the next couple of years up until 2022. 08/09/2021 Update received from Programme Manager This recommendation remains in progress and the update dated 02/02/2021 remains accurate
002	237156	GDPR Compliance Audit PO No FN27625	A review process be introduced to minimise the risks around sensitive data being stored to network drives.	3	NWP is moving to Office 365 as part of the National Enabling Programme. As part of this work, we will move from the current shared drives arrangement, to a more structured approach to data sharing with teams. As part of the migration to Office 365, a full review of the existing information there will need to be conducted, and thereafter ongoing governance as to its use will be controlled.	Programme Manager, Corporate Programme Office	31/03/2020	31/03/2022	02/02/2021 Update received from Programme Manager Just starting to understand GDPR controls and how we will cleanse and manage data from Group Drives into the new NEP SharePoint Structure with appropriate automated access controls and safeguards. Proposing a model with SPOCs who will be responsible for data within their department / business area and who will be given advice on how to best manage and maintain for GDPR / MOPI and given an enforced time window for migration of data away from Group Drives. This process will be supported as part of a structured transition for each business area. 08/09/2021 Update received from Programme Manager This recommendation remains in progress and the update dated 02/02/2021 remains accurate
003	242655	Collaborative Review - Single Online Home	A detailed benefits analysis be completed by each force once Single Online Home has been fully implemented to determine the benefits arising from the use of Single Online	2	National Team Benefit template docs have been completed. Nothing further possible until SOH implemented and figures received. This will allow post- project benefits to be monitored	Project Manager	30/10/2020	31/08/2021	07/09/2021 - Update received from Project Manager The SOH Closure report was presented at the Digital Transformation Board. The Benefits analysis report has been produced but is still going through the approval process; once approved this report will be presented.

			Home.					
004	244459	Governance - Corporate Communications	An Engagement Annual Report be produced as planned.	2	The Communication and Engagement Strategy was recently signed off following the appointment of a Comms and Engagement Officer in February 2020. The first annual report will be for 2020/21. To ensure transparency, in addition to publication on the OPCC website, the annual report will also be presented to the Police and Crime Panel alongside the PCC's Annual Report.	CEO, OPCC	30/09/2021	08/09/2021 – Draft report submitted to CEO 31/08/2021; a few amendments and a new section was required. Revised draft submitted; once approved by CEO and PCC this will be sent for translation; on track for completion by 30/09/2021.
005	249421	20/21 Collaborative Project Review – Office 365	Role based access to every application at all three Forces be defined and documented for every officer and staff role with each business area defining the applications and access levels required for each role.	2	NWP: IAM solution can provide role-based access to applications that use the Active Directory to allow access. Any application that does not use this method cannot be included in the automated solution but can be documented for the process. Post the delivery of the minimum viable product required by the NEP, which will provide basic role-based access, the approach will be to identify and develop these access roles as part the incremental team based roll out approach for MS365. This approach will see the identification of roles within each team, that can be included in existing access roles or involve the creation of a new one.	Superintendent, SMT, Corporate Services	31/03/2022	07/09/2021 Update received from Project Manager Role based access to Teams is being prepared ahead of the Force deployment of M365 which is expected to commence October 2021. The concept is currently being tested with business pilot users that are already onboarded to the NEP design. Role-based access to other applications will be explored as part of phase 2 from March 2022.
006	249422	20/21 Collaborative Project Review – Office 365	Additional support be provided when on boarding officers attached to collaborative units who may have access to applications that have not been previously tested for compatibility with Windows 10.	2	NWP: Included in the approach to incrementally roll out MS365 and the NEP design team is a preparation phase where a SPOC will be identified within a team to be migrated first and test all application to ensure there are no issues.	Superintendent, SMT, Corporate Services	31/03/2022	07/09/2021 Update received from Project Manager General testing will resume during the 6 weeks prior to each departmental deployment. Further testing has commenced in key areas of the business identified as complex in order to allow additional time to explore and resolve any potential issues that may arise.
007	249423	20/21 Collaborative Project Review – Office 365	Processes be implemented to ensure that future National Enabling Programme design changes can be fully tested and implemented under business as usual.	2	NWP: Maintenance and support ownership and processes currently under review, with the aim for all processes to be in place by April 2021.Management of design changes will fit within existing business change management processes.	Superintendent, SMT, Corporate Services	31/03/2022	08/06/2021 Update received from Project Manager Progress is being made towards finalising maintenance and support agreements ahead of full rollout which is likely to be end of July. The aim is to complete these processes by end of July. 07/09/2021 - Update received from Project Manager No further update received from ICT.

008	249424	20/21 Collaborative Project Review – Office 365	An appropriate information governance framework be implemented to manage the use of power apps.	2	NWP: A Systems Operating procedure (SysOps) will be developed for MS365 applications including PowerApps. Business rules are currently being established for each application. A DPIA covering the NEP solution has been produced. The need for a specific DPIA for PowerApps will be reviewed during the production of the SysOps.	Superintendent, SMT, Corporate Services	31/03/2022	31/07/2022	07/09/2021 Update received from Project Manager The process to recruit a technical system administrator role has been delayed due to the unpredictability of the market attributed to the impact of COVID19. A review of the role has therefore been necessary. The vacancy is anticipated to be filled in the next 2 to 3 months. At which point the deployment will be underway which complies with the agreement to develop the Sys Ops in life.
009	249425	20/21 Collaborative Project Review – Office 365	A benefits realisation review be undertaken 12 to 18 months after the completion of the NEP Office 365 project.	2	NWP: To be conducted by the PMO	Superintendent, SMT, Corporate Services	30/09/2023		07/092021 Update received from Project Manager The benefits review report was submitted in August 2021 to the National SIRO as part of the Forces sign off submission for full rollout. This document will form an initial basis for the full benefits realisation review due September 2023.
010	249426	20/21 Collaborative Project Review – Office 365	The information asset registers at all three Forces be reviewed and updated subsequent to the implementation of Office 365 and SharePoint.	3	NWP: Information Asset Ownership is under review as part of our Business Rules work and production of SysOps to be completed prior to commencing full roll out April 2021.The roll out approach will be incremental with services taking ownership of their data held on Microsoft applications as they are on boarded.	Superintendent, SMT, Corporate Services	30/09/2022		07/09/2021 Update received from Project Manager As per 249424 the process to recruit a technical system administrator role has been delayed due to the impact of COVID19. The vacancy is anticipated to be filled in the next 2 to 3 months. At which time the Force deployment will be underway. This complies with the agreement to develop the Sys Ops in life.
011	251509	20/21 Fleet Management – Repairs	A regular review of high value jobs be undertaken to ensure the accuracy and integrity of the data in relation to job costs.	3	This is noted, The Fleet Manager will design dashboards, and reports aimed at capturing data inaccuracies. This work will be built in to the design of the New Fleet Management system.	Fleet Manager	30/04/2022		07/09/2021 – Update from Fleet Manager As per previous update, this is still being done manually at present; the Fleet Operations Manager continues to report high value jobs during the weekly meetings.

012	251995	20/21 Property Subject to Charge	The numerous exhibits recorded as 'Checked out to Officer' on Niche be investigated and appropriate action be taken to ensure the accuracy of the current location is evident on Niche.	1	Refer OEM Management Comment Ref 2 – regarding 'Direct Officer Recording' which impacts on the effectiveness of the AUTOMATED 'Checked out - Due back' date Reminder on Niche Property. The Property & Exhibit Standard Operating Procedure (SOP) Sections 4.8, 4.9 & 5.3.9 requires officers to either promptly 'Check-in' exhibits or notify Seized Property Stores (SP) of exhibits which have been Returned to Owner; Sent for Forensic Testing or retained/disposed for some Other Purpose. When this does not happen SP has to MANUALLY Task officers. When audited – 9,247 exhibits were recorded on Niche as 'Checked out to Officer. The SP Manager has reviewed the list and taken action to reduce the list to 7,313 by 26/05/2021.Of the 7,313 remaining exhibits 1,080 are Captor Incapacitant Spray* which have been recorded on the Niche Property Management System for issue/'Checked out to Officer' for periods up to four years (expiry date). This was done under the directive of the Conflict Management Board.* The 1080 captor sprays recorded on Niche property is new stock issued to officers following the new directive since July 2019. This number will gradually increase on Niche property as used/expired captors, which were historically issued and manually recorded on lists by Custody staff are returned and replaced by new stock via Niche Property. The Seized Property Manager and SP Team have been Tasked to review, investigate and action the REMAINING 6,233 'Checked out to Officer' exhibits. Creating, adding, locating, moving, checking-out, checking-in and disposing of property exhibits on the Niche Property Management System is a dynamic and constantly changing environment which requires regular monitoring and audit by Seized Property and Operational Line Managers. Refer MAP Rec 5 – Page 6 for Management Comment Actions relating to officer Training and Awareness The Archive and Support Services Manager will monitor and report on progress to ensure that only current and exhibits still under investigation (including captor spray) remain'	Seized Property Manager	30/11/2021	06/09/2021 - update received from Seized Property Manager There are currently 2952 checked out to officer: Time of audit - 9247 May 2021 - 6233 June 2021 - 4635 July 2021 - 3590 August 2021 - 2952 New Officer Input Sessions are still proving beneficial and I am getting good feedback from these officers. There is yet to be a re arranged Economic Crime Group Meeting so I am still waiting for details on this to be sent through, however I am disseminating this information to as many officers as possible through tasking/ email updates. The Need To Know is completed and currently under review with regards to cascading it to all officers.
013	251998	20/21 Property Subject to Charge	A programme of refresher training for Officers be established on the importance of the procedures required on the Niche Property Management system based on whatever actions undertaken by the Officers after the exhibits have been checked out.	2	The Property & Exhibit Standard Operating Procedure (SOP) Sections 4.8, 4.9 & 5.3.9 requires officers to either promptly 'Check-in' exhibits or notify Seized Property Stores (SP) of exhibits which have been Returned to Owner; Sent for Forensic Testing or retained/disposed for some Other Purpose. The Archive and Support Services Manager and Seized Property Manager shall communicate and create awareness amongst Senior Management Teams, officers, police staff and Training Department about the requirement for officers and staff to adhere to the Standard Operating Procedure and Niche Property Management system – through the following communication programme:- Ongoing communication at Operational and Business SMT meetings Communication via 'Need to Know'; these bulletins are circulated to All NWP employees and are published on the force intranet. Communication with Training Department and ongoing input at Officer Probationer training sessions Ongoing communication with officers →Line Managers and input at Rota briefings	Archive and Support Services Manager/ Seized Property Manager	30/09/2021	06/09/2021 - update received from Seized Property Manager New Officer Input Sessions are still proving beneficial and I am getting good feedback from these officers. There is yet to be a re arranged Economic Crime Group Meeting so I am still waiting for details on this to be sent through, however I am disseminating this information to as many officers as possible through tasking/ email updates. The Need To Know is completed and currently under review with regards to cascading it to all officers.

014	252006	20/21 Property Subject to Charge	A notification be issued to remind all Officers of the requirement to scan receipts signed by owners when exhibits have been returned to owners and to then send a 'Task' to the Seized Property Team to dispose of the exhibit in accordance with procedures.	3	The Property & Exhibit Standard Operating Procedure (SOP) Sections 5.3.9 requires officers to scan the signed copy of the receipt via the MFD to the property store file so that it can be updated on the RMS property management system Refer MAP Rec 5 – Page 6 for Management Comment Actions relating to officer Training and Awareness.	Archive and Support Services Manager/ Seized Property Manager	30/09/2021		06/09/2021 - update received from Seized Property Manager New Officer Input Sessions are still proving beneficial and I am getting good feedback from these officers. There is yet to be a re arranged Economic Crime Group Meeting so I am still waiting for details on this to be sent through, however I am disseminating this information to as many officers as possible through tasking/ email updates. The Need To Know is completed and currently under review with regards to cascading it to all officers.
015	252116	21/22 Western Area - Command Unit	Training for fire marshals at Llangefni and Caernarfon police stations be maintained and kept up-to-date.	2	We note that the auditor recognises that IECHYD A DIOGELWCH training has been affected due to COVID. Moving forward, we will ensure that the issues highlighted will be addressed, our training processes strengthened and maintain up to date records. We will focus on training the right staff at both locations in line with the recommendation. The IECHYD A DIOGELWCH Administrator has been tasked to liaise with the members of staff and the Training Department. The list of Fire Marshalls at both locations will be amended to reflect the correct information. Worthy of note, is that SPOCS have a responsibility to inform the IECHYD A DIOGELWCH Unit when Fire Marshals move to other locations/role so that records are kept up to date in line with our legislative responsibilities. Without this information, the IECHYD A DIOGELWCH unit cannot maintain accurate records.	Health & Safety Administrator	01/09/2021	31/12/2021	09/09/2021 - Update received from Health & Safety Manager Caernarfon - we currently have enough fire marshals and the list has been updated and placed in key areas within the station. Llangefni - we are struggling to get nominees to become fire marshals, however, the Anglesey Chief Inspector is currently addressing this issue. On receipt of nominees training will be organised. Due to the above re Llangefni we are extending the due date to December 2021; however, this is dependent on take up of the position and availability with the training plan and individuals nominated.
016	252117	21/22 Western Area - Command Unit	A process be established whereby those with oversight for health and safety are made aware of when fire marshal training is due to expire, for example via the standing agenda item 'Training Update' for the Health and Safety Management Committee.	3	In partnership with the Training Department, we will establish a new sustainable process to capture re- training requirements for fire marshals, including identifying other members of staff for training. We will consider including this matter as a standing agenda / training update for the HSMC Meetings. Furthermore, we will liaise further with the Training Department and SMTs to develop an effective, sustainable training plan.	Health & Safety Administrator and Health & Safety Manager	01/09/2021	31/10/2021	09/09/2021 - Update received from Health & Safety Manager Training courses are back on track but with reduced numbers taking into account Covid restrictions. As per the auditors' recommendation; on receipt of the Training update we will distribute the list of expiry dates to the LPS Business Managers for action. The next quarterly Health and Safety Management Meeting takes place on 26th October 2021. Liaison with Business Managers and the Duty Management Team is crucial as they are aware of any staffing abstractions; The Duty Management Team are responsible for the correct level of staffing

									in areas thus ensuring operational officers numbers are such that areas can be policed in a safe and effective manner. Due date revised in line with the next Health and Safety Management meeting.
017	252118	21/22 Western Area - Command Unit	A process be established for the identification by the Health and Safety team of movements in staff affecting fire marshal cover at various sites.	3	We note the Auditor's recommendation. We will establish a process to identify fire marshal's movements across the force - the Health and Safety Administrator will be tasked to do this, review our records on a regular basis and take appropriate action to ensure that records are up to date and valid. We will raise the matter with SMTs and Service Leads, requesting local SPOCS and supervisors to assist the IECHYD A DIOGELWCH unit in this important area of fire safety. We will also raise awareness with all force fire marshals during training/refresher requesting that they advise the IECHYD A DIOGELWCH unit when they move stations/roles.	Health & Safety Administrator	01/10/2021		09/09/2021 - Update received from Health & Safety Manager In June 2021 advice was sought from the Continuous improvement Officer with a view to an automated notification of post moves being created from the HR system. As a result the HR Senior Analyst was contacted along with the SSF Manager. Health & Safety Administrator to chase this up.
018	252193	21/22 Health and Safety Management	Accountability and responsibility for the completion and submission of RIDDOR reports be agreed and arrangements put in place to strengthen the mechanism behind the reporting of RIDDORs to achieve the outcome of timely reporting to HSE.	1	Further work is ongoing to strengthen the mechanism behind the reporting of RIDDORs to achieve timely reporting to HSE in all instances. For example, we have started to improve our processes by developing a presentation for Chief Officers because they can influence changes within the Organisation to address the issues highlighted by the Auditor. Updates and input from Line Managers is crucial so that RIDDOR reports are submitted on time in line with our statutory duties and IECHYD A DIOGELWCH Policy. It must be emphasised the IECHYD A DIOGELWCH unit is reliant on information/updates being fed back to the HSM so that matters are investigated promptly and recorded in line with HSE legislation within given time frames. Moving forward, and for the avoidance of doubt, late submissions of RIDDOR reports to HSE is not acceptable under any circumstances. We believe that consistency of approach is key, coupled with Training and educating Line Managers regarding their responsibilities. Where necessary we will continue to liaise with HSE colleagues regarding this and other IECHYD A DIOGELWCH issues and seek guidance in key areas of IECHYD A DIOGELWCH. Furthermore, we have requested that the Training Department cover the above issue with new recruits, newly promoted Sergeants and Inspectors.	Health & Safety Manager	01/09/2021	18/10/2021	 06/09/2021 – Actions taken by HSM: Health & Safety recommendations are on the Force risk register - Risk no 76. Individual Need to Know (NTK) docs to be prepared by HSM and circulated at different intervals to cover, Line Managers responsibilities re: RIDDOR reporting, Injury on Duty, Near Miss DSE reports by staff who they are responsible for – NTK final drafts completed 02/09/2021, submitted for sign off, once approved they will be circulated Forcewide and published on the Force intranet. HSM to raise awareness on IECHYD A DIOGELWCH Web site. Agreed with Assessor Training Supervisor that HSM will attend future Leadership Courses for newly promoted Sergeants, Inspectors and equivalent Police Staff roles to highlight the importance/correct procedures re: issues raised in TIAA'S audit report. First course will be on the 06/09/21 Between May and August the HSM attended the following meetings; the Chair Superintendents/Chief Superintendent circulated emails Forcewide and/or to their areas. O Corporate Services Consultation Group O Central LPS, Business Manager and HR meeting O Western LPS Consultation Meeting

010	252105	21/22 Hoolth	Dreedures to put in	2	Ear clarity, avamplas of inv messages already	Hoalth & Safaty	01/00/2021	19/10/2021	 o LPS SMT – BM highlighted requirement for line managers to complete and record findings /investigations following submission of injury/near miss reports. BM's now have access to the IECHYD A DIOGELWCH reporting system and are assisting the IECHYD A DIOGELWCH unit to chase up line managers which is working well. o During recent IOSH Managing Safely Courses; the Trainer and I covered this important element of IECHYD A DIOGELWCH during the presentation. o HSMB – Chief Inspector circulated email "IECHYD A DIOGELWCH during the presentation. o HSMB – Chief Inspector circulated email "IECHYD A DIOGELWCH Recording of Injuries, Near Misses & DSEs – Supervisor Responsibility". An improvement is being seen as a result of the support of SMTs and the Health and Safety Administrator monitoring work and challenging LMs when reports are not complete. HSM will continue to attend and repeat key IECHYD A DIOGELWCH messages at future SMT, staff consultation meetings. Further actions agreed to be undertaken Presentation being prepared by Trainer for Chief Officers on key elements of IECHYD A DIOGELWCH and in particular findings, recommendations referred to in the TIAA audit report – Line Managers responsibilities. HSM will be present during 3 – 4 hour presentation. Dates yet to be agreed Consider Chief Officer to do a video blog on the subject with emphasis on issues identified in TIAA's audit report See A a champion (CO level) for Health and Safety
019	252195	21/22 Health and Safety Management	Procedures be put in place to further encourage line management input on A879 (accidents) and HS1 (near-miss) forms to achieve a more acceptable response rate.	2	For clarity, examples of key messages already circulated to raise awareness have been sent to the auditor - namely an email from the Corporate Services Superintendent to all NWP employees and an email to/from the Business Managers in LPS. The IECHYD A DIOGELWCH team will develop and publish a simple "need to know" guide for Managers, which will be available on the IECHYD A DIOGELWCH web site. Furthermore, the Chief Officer's IECHYD A DIOGELWCH presentation will be used to raise awareness with senior managers/service leads so that information can be cascaded to Line Managers	Health & Safety Administrator and Health & Safety Manager	01/09/2021	18/10/2021	See 019 – 252193 for latest response

020	252197	21/22 Health	Arrangements be put in	3	It must be recognised that Line Managers have a	Health & Safety	01/08/2021	18/10/2021	See 019 – 252193 for latest response
		and Safety	place for more timely		responsibility to identify and implement improvements	Manager			
		Management	action by Health and		when DSE issues have been identified by staff, and				
			Safety in relation to DSE		where necessary contact the HSM within a reasonable				
			assessments.		time scale. This is not always happening, which affects				
					time scales/closure of DSE forms as referred to by the				
					Auditor. Line Managers will be reminded of this as part				
					of our publicity/raising awareness campaign. The HSM				
					or Administrator will always assess DSE forms				
					submitted on to the IECHYD A DIOGELWCH system and				
					offer support and advice. All purchasing/budgetary				
					issues should be addressed by respective Business				
					Managers not the IECHYD A DIOGELWCH forms as				
					referred to by the Auditor.				

Appendix 3 – Recommendation Categorisation

"Priority" refers to the implementation timeline to adopt:

Description	Priority
URGENT - Fundamental Control issue on which action should be taken immediately.	1
IMPORTANT - Control issue on which action should be taken at the earliest opportunity.	2
DOUTINE Control issue on which action should be taken	

"Category" refers to date revisions as per the below:

Description	Category
Recommendations - still on original due date	1
Recommendations - 1st revised due date	2
Recommendations - 2nd revised due date	3
Recommendations - 3rd revised due date	4
Recommendations - 4th revised due date	5
Recommendations - 5th revised due date	6





TERFYNOL

Comisiynydd Heddlu a Throsedd Gogledd Cymru a Phrif Gwnstabl Heddlu Gogledd Cymru

Adroddiad Sicrwydd Rheoliadau Mewnol Cryno (SICA)

2021/22

Medi 2021

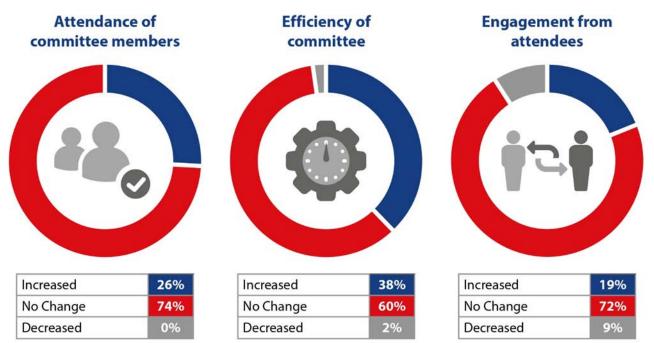
Cyflwyniad

1. Mae'r adroddiad rheolaeth sicrwydd cryno hwn yn cynnig diweddariad i'r Cydbwyllgor Archwilio ar faterion yn ymwneud â materion sy'n berthnasol i Lywodraethu, Risg a Rheolaeth Fewnol ac ar gynnydd ein gwaith ar gyfer Comisiynydd Heddlu a Throsedd Gogledd Cymru a Phrif Gwnstabl Heddlu Gogledd Cymru fel ar 6 Medi 2021.

Llywodraethu sy'n dod i'r amlwg, Risg a Materion yn Ymwneud â Rheoli Mewnol

2. Wrth i gyfyngiadau lacio, daw penderfynu gan lawer o fusnesau ynghylch sut maent yn mynd i weithredu mewn byd wedi'r cyfyngiadau symud. Mae angen pwyso a mesur y creadigrwydd a'r cydweithredu sy'n codi o fod yn yr un gweithle a'r manteision sy'n codi o weithio o bell a chroesawu technoleg. Mae ein hymdriniaeth wedi'i chymell yn bennaf gan sut mae ein cleientiaid yn mynd i weithredu. Felly gwnaethom benderfynu holi am eu barn fel rhan o'n harolwg cleientiaid blynyddol. Dywedodd y mwyafrif o ymatebwyr y byddai'n well ganddynt gymysgedd o ddarpariaeth rithiol/o bell ac wyneb yn wyneb o wasanaethau sicrwydd yn y dyfodol. Mae hyn yr hyn roeddem yn ei ddisgwyl yn bennaf, er rydym yn cydnabod ei fod yn debygol o amrywio rhwng sectorau.





Archwiliadau a gwblhawyd ers adroddiad diwethaf SICA i'r Cydbwyllgor Archwilio

3. Mae'r tabl isod yn gosod manylion o'r archwiliadau sydd wedi eu cwblhau ers y cyfarfod blaenorol o'r Cydbwyllgor Archwilio.

Archwiliadau a gwblhawyd ers adroddiad blaenorol SICA

			Niferoedd Argymhellion					
Adolygiad	Gwerthusiad	Drafft wedi'i chyhoeddi	Ymatebion a Dderbyniwyd	Cyhoeddi drafft terfynol	1	2	3	OEM
Pensiynau - Diogelwch Seiber	Rhesymol	23 Awst 2021	31 Awst 2021	2 Medi 2021	-	1	-	-

4. Ceir Crynodebau Gweithredol a Chynlluniau Gweithredu Rheoli bob un o'r adolygiadau terfynol yn Atodiad A. Nid oes materion yn codi o'r canfyddiadau hyn a fyddai'n gofyn i'r Pennaeth Arolwg Barn blynyddol fod yn gymwys.

Cynnydd o ran Cynllun Blynyddol 2021/22

5. Mae ein cynnydd o ran Cynllun Blynyddol 2021/22 wedi ei osod yn Atodiad B.

Newidiadau i Gynllun Blynyddol 2021/22

6. Nid oes meysydd lle argymhellir gwaith archwilio mewnol er mwyn gallu darparu Pennaeth Barn Archwilio ddiamod ar gyfer 2021/22.

Symud ymlaen gyda gweithredu argymhellion blaenoriaeth 1

7. Nid ydym wedi gwneud argymhellion Blaenoriaeth 1 (h.y. materion rheoli sylfaenol y dylid gweithredu arnynt ar unwaith) ers yr adroddiad SICA Blaenorol. Ceir mwy o wybodaeth yn Atodiad C.

Adolygiad	Dyddiad	Bla	enoria 1:	eth
Eiddo y Codir Tâl Amdano	2020/21	-	1	-
Rheolaeth lechyd a Diogelwch	2021/22	1	1	-

Lleihau amlygiad i risg a nodwyd gan adolygiadau archwilio mewnol

Dangosyddion achosion gwraidd

8. Datblygwyd y dangosyddion gwraidd achos (RCI) gan TIAA i roi cyfeiriad treigl strategol ar gyfer asesiad llywodraethu, risg a rheolaeth teithio ar gyfer Comisiynydd Heddlu a Throsedd Gogledd Cymru a Phrif Gwnstabl Heddlu Gogledd Cymru. Caiff pob argymhelliad a wneir ei ddadansoddi i sefydlu achos sylfaenol y mater sy'n arwain at yr argymhelliad (RCI). Mae angen ystyried y dadansoddiad dros gyfnod parhaus, yn hytrach nag ar sail unigol bob chwarter. Mae canrannau, yn hytrach na nifer wirioneddol yr adolygiadau/argymhellion a wneir yn caniatáu nodi'r cyfeiriad teithio yn fwy effeithiol. Mae saeth tuag i lawr yn arwydd o leihad cadarnhaol mewn risg mewn perthynas â'r RCI penodol.

Dangosyddion Achosion Gwraidd	Chwarter 2 (2020/21)	Chwarter 3 (2020/21)	Chwarter 4 (2020/21)	Chwarter 1 (2021/22)	Chwarter 2 (2021/22)	Cyfeiriad Teithio yn y Tymor Canolig	Arsylwad Archwiliad
Cyfarwyddwyd							
Fframwaith Llywodraethu	Amherthnasol	67% (2)	12% (5)	-		-	Mae'r canran wedi gostwng dros y ddau chwarter diwethaf.
Lliniaru Risg	-	-	-	-		Amherthnasol	Dim argymhellion i'w cymharu
Cydsyniad Rheolaeth	-	33% (1)	86% (36)	90% (9)	100% (1)		Mae'r canran wedi gostwng ers y chwarter diwethaf.
Cyflawniad-							
Monitro Cyflawniad	-	-	2% (1)	10% (1)		-	Mae'r canran argymhellion wedi cynyddu ers y chwarter diwethaf, er bod y nifer wedi parhau'n gyson.
Cyfyngiadau Ariannol	-	-	-	-		Amherthnasol	Dim argymhellion i'w cymharu
Gwytnwch	-	-	-	-		Amherthnasol	Dim argymhellion i'w cymharu

DAG - Cyfeiriad Asesiad Teithio 2020-21

Twyll/Anghysondebau

9. Nid ydym wedi clywed am dwyll neu anghysondebau yn y cyfnod ers i'r adroddiad cryno diwethaf gael ei gyhoeddi.

Materion Eraill

10. Rydym wedi cyhoeddi nifer o nodiadau briffio a chrynodebau twyll, a geir yn Atodiad D, ers yr adroddiad SICA blaenorol. Mae'r camau a gymerwyd gan Gomisiynydd Heddlu a Throsedd Gogledd Cymru a Phrif Gwnstabl Heddlu Gogledd Cymru wedi'u crynhoi isod:

Camau a gymerwyd gan Gomisiynydd Heddlu a Throsedd Gogledd Cymru a Phrif Gwnstabl Heddlu Gogledd Cymru mewn ymateb i Rybuddion a roddwyd gan TIAA

Nodiadau Briffio	Ymateb Rheolwyr		
Canllawiau Diogelwch Teclynnau Seiber			
Gwasanaeth Hysbysu Action Fraud	I'w ddarparu gan Heddlu Gogledd Cymru		
Rhybudd Twyll	Ymateb Rheolwyr		
Ni roddwyd dim Rhybudd Twyll ers y SICA diwethaf.	Amherthnasol		

Cyfrifoldeb/Ymwrthodiad

11. Mae'r adroddiad hwn wedi cael ei baratoi'n unswydd ar gyfer defnydd y rheolwyr ac ni ddylid ei ddyfynnu neu gyfeirio ato yn llawn neu yn rhannol i drydydd parti heb ganiatâd ysgrifenedig blaenorol. Mae'r materion a godir yn yr adroddiad hwn o reidrwydd yn ddatganiad manwl o'r holl wendidau sy'n bodoli neu'r holl welliannau y gellid eu gwneud. Ni dderbynnir cyfrifoldeb i unrhyw drydydd parti gan nad yw'r adroddiad wedi cael ei baratoi, na'i fwriadu ar gyfer unrhyw bwrpas arall. Nid yw TIAA yn derbyn nac rhoi unrhyw ddyletswydd gofal i unrhyw barti eraill a fydd yn derbyn yr adroddiad hwn ac yn benodol yn ymwadu unrhyw gyfrifoldeb am golled, niwed neu wariant o unrhyw natur, sy'n cael ei achosi ar ddibynnu ar ein hadroddiad.

Executive Summaries and Management Action Plans

The following Executive Summaries and Management Action Plans are included for information as part of the agenda. Where a review has a 'Limited' or 'No' Assurance assessment the full report will be presented to the Joint Audit Committee.

Review	Evaluation
Pensions – Cyber Security	Reasonable

Progress against Annual Plan 2021-22

System	Planned Quarter	Current Status	Comments
Collaborative – Pan Wales			
Counter Fraud (Anti-Fraud Procurement)	1	Planned start date 18th October 2021	Lead force = North Wales
Pensions – All Wales Pension Board*	2	Planned start date 20th September 2021	Lead force = Dyfed-Powys
Safety Camera Partnership	2	Planned start date 6th September 2021	Lead force = Dyfed-Powys
Automatic Number Plate Recognition (ANPR)	2	Site work commenced 31st August 2021	Lead force = Dyfed-Powys
Agile Working	2	Planned start date 19th January 2022	Lead force = changed from North Wales to Gwent Police, as North Wales and Dyfed have deferred their part to January 2022
Budgetary Control	3	Planned start date 18th October 2021	Lead force = North Wales
General Ledger	3	Planned start date 11th October 2021	Lead force: = Gwent Police
Payroll	3	Planned start date 29th November 2021	Lead force = South Wales
Creditors	3	Planned start date 18th October 2021	Lead force = South Wales
Debtors	3	Planned start date 15th November 2021	Lead force: Gwent Police
Treasury Management	3	Planned start date 4th October 2021	Lead force = South Wales
North Wales Only			
Health and Safety Management	1	Final report issued 5th July 2021	Presented to August 2021 JAC
ICT – Network Security	1	Site work commenced 31st August 2021	Moved to Quarter 2 at the request of management.
Western Area – Command Unit	1	Final report issued 29th June 2021	Presented to August 2021 JAC
Pensions – Cyber Security	1	Final report issued 2nd September 2021	
Commissioner's Grants	2	Planned start date 29th September 2021	
Performance Management	2	Planned start date 20th September 2021	

System	Planned Quarter	Current Status	Comments
Collaborative – Pan Wales			
ICT – Data Protection	2	Planned start date 5th October 2021	
Capital Programme	2	Site work commenced 6th September 2021	
Fleet Management – Fleet Strategy	3	Planned start date 15th November 2021	
Risk Management – Mitigating Controls	3	Planned start date 22nd November 2021	
Contract Management	3	Planned start date 2nd December 2021	
Fixed Assets	3	Planned start date 8th November 2021	
HR Management – HR Strategy	3	Planned start date 22nd November 2021	
Occupational Health Unit	4	Planned start date 4th January 2022	
Strategic Planning	4	Planned start date 10th January 2022	
Follow-up	4	Planned start date 7th February 2022	
Liaison with Audit Wales	1-4		
Annual Planning	4	Final Report issued 12th May 2021	
Annual Report	4		
Audit Management	1-4		

KEY:

To be commenced	Site work commenced	Draft report issued		Final report issued	

Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer	Action taken to date (and any extant risk exposure)	Risk Mitigated
Property Subject to Charge 2020-2	1					
The numerous exhibits recorded as 'Checked out to Officer' on Niche be investigated and appropriate action be taken to ensure the accuracy of the current location is evident on Niche.	1	Refer OEM Management Comment Ref 2 – regarding 'Direct Officer Recording' which impacts on the effectiveness of the AUTOMATED 'Checked out - Due back' date Reminder on Niche Property. The Property & Exhibit Standard Operating Procedure (SOP) Sections 4.8, 4.9 & 5.3.9 requires officers to either promptly 'Check-in' exhibits or notify Seized Property Stores (SP) of exhibits which have been Returned to Owner; Sent for Forensic Testing or retained/disposed for some Other Purpose. When this does not happen, SP must MANUALLY Task officers. When audited – 9,247 exhibits were recorded on Niche as 'Checked out to Officer. The SP Manager has reviewed the list and taken action to reduce the list to 7,313 by 26/05/2021. Of the 7,313 remaining exhibits 1,080 are Captor Incapacitant Spray* which have been recorded on the Niche Property Management System for issue/'Checked out to Officer' for periods up to four years (expiry date). This was done under the directive of the Conflict Management Board. *The 1080 captor sprays recorded on Niche property is new stock issued to officers following the new directive since July 2019. This number will gradually increase on Niche property as used/expired captors,	Full implementation 30//11/2021	Seized Property Manager	As per management Comments September 2021 – TIAA were advised that "as of 1st August 2021 there were 3,590 exhibits checked out to the officer; in the month of July 1,263 exhibits were reviewed thus meeting the requirement of 1,000 per month as per TIAA audit report". A further update was that as at 31st August the number was reduced to 2.952.	

Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer	Action taken to date (and any extant risk exposure)	Risk Mitigated
		which were historically issued and manually recorded on lists by Custody staff are returned and replaced by new stock via Niche Property.				
		The Seized Property Manager and SP Team have been Tasked to review, investigate, and action the REMAINING 6,233 'Checked out to Officer' exhibits.				
		Creating, adding, locating, moving, checking-out, checking-in and disposing of property exhibits on the Niche Property Management System is a dynamic and constantly changing environment which requires regular monitoring and audit by Seized Property and Operational Line Managers.				
		Refer MAP Rec 5 – Page 6 for Management Comment Actions relating to officer Training and Awareness				
		The Archive and Support Services Manager will monitor and report on progress to ensure that only current and exhibits still under investigation (including captor spray) remain 'Checked out to Officer'. This will be included in the Monthly KPI Report for NPCC Director of Finance & Resources				

Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer	Action taken to date (and any extant risk exposure)	Risk Mitigated
Health and Safety Management 20)21-22					
Accountability and responsibility for the completion and submission of RIDDOR reports be agreed and arrangements put in place to strengthen the mechanism behind the reporting of RIDDORs to achieve the outcome of timely reporting to HSE.		Further work is ongoing to strengthen the mechanism behind the reporting of RIDDORs to achieve timely reporting to HSE in all instances. For example, we have started to improve our processes by developing a presentation for Chief Officers because they can influence changes within the Organisation to address the issues highlighted by the Auditor. Updates and input from Line Managers is crucial so that RIDDOR reports are submitted on time in line with our statutory duties and H&S Policy. It must be emphasised the H&S unit is reliant on information/updates being fed back to the HSM so that matters are investigated promptly and recorded in line with HSE legislation within given time frames. Moving forward, and for the avoidance of doubt, late submissions of RIDDOR reports to HSE is not acceptable under any circumstances. We believe that consistency of approach is key, coupled with Training and educating Line Managers regarding their responsibilities. Where necessary we will continue to liaise with HSE colleagues regarding this and other H&S issues and seek guidance in key areas of H&S. Furthermore, we have requested that the Training Department cover the above issue with new recruits, newly promoted Sergeants and Inspectors.	01/09/2021	Health and Safety Manager	As per management comments September 2021 – The Health and Safety Manager (HSM) stated that "Individual Need to Know (NTK) documents to be prepared by HSM and circulated at different intervals to cover, Line Managers responsibilities re: RIDDOR reporting, Injury on Duty, Near Miss DSE reports by staff who they are responsible for – NTK final drafts completed 02/09/2021, submitted for sign off, once approved they will be circulated Force wide and published on the Force intranet. HSM to raise awareness on H&S Web site".	

Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer	Action taken to date (and any extant risk exposure)	Risk Mitigated
Confirmation of completion of assigned tasks be recorded on a timely basis as evidence that routine fire and safety equipment tests have been undertaken.		We have implemented "spot checks" to ensure that assigned tasks are recorded correctly and on time. This is done by interrogating H&S records on a regular basis. The HSM has briefed staff responsible for conducting and recording findings on the automated system. To further enhance this process a monitoring system will also be introduced to ensure compliance, including regular meetings with those responsible for carrying out the checks in Force Headquarters and Alexandra House.		Health and Safety Administrator	As per management comments – this action has not been verified by Internal audit September 2021 – Now complete	

KEY:

Priority Gradings

URGENT	undamental control issue on which action should be taken nmediately.
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Risk Mitigation

	CLEARED	Internal audit work confirms action taken addresses the risk exposure.		ON TARGET	Control issue on which action should be taken at the earliest opportunity.		EXPOSED	Target date not met & risk exposure still extant	
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Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Counter Fraud which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those CBNs and Fraud Alerts issued in the last three months which may be of relevance to Police and Crime Commissioner North Wales and Chief Constable North Wales Police is given below. Copies of any CBNs are available on request from your local TIAA team.

Summary of recent Client Briefing Notes (CBNs)

CBN Ref	Subject	Status	TIAA Comments
21024	Cyber Device Security Guidance		No Action Required To note.
21025	Action Fraud Reporting Service		For Information Only Boards and Audit Committees are advised to note that Action Fraud continues to be the UK fraud reporting service. Plans are underway for a replacement system to be implemented in April 2022.

Summary of recent Fraud Alerts

Ref	Subject	Status	TIAA Comments
No Fraud alerts	have been issued since the last SICA.		

CYDBWYLLGOR ARCHWILIO

Teitl:	Adroddiad Rheoli Risg – (Sesiwn Agored)			
Awdur:	Neil T. Ackers, Arweinydd Risg a Pharhad Busnes			
Diben yr adroddiad:	Rhoi diweddariad i'r Cydbwyllgor Archwilio ar y broses risg sefydliadol a throsolwg o'r risgiau presennol a gofnodir gan Heddlu Gogledd Cymru a Chomisiynydd Heddlu a Throsedd Gogledd Cymru.			
Cyflwynir yr adroddiad i'r CA ar gyfer: (ticiwch un)	 □ Penderfyniad □ Trafodaeth ✓ Sicrwydd □ Gwybodaeth 			
Crynodeb / Pwyntiau Allweddol:	 Mae'r holl risgiau wedi'u hadolygu'n fisol gan yr Arweinydd Risg a Pharhad Busnes, gan sicrhau eu bod yn cael eu diweddaru ac yn parhau ar darged. Gwneir cofnod dyddiedig ar y cyd a'r adolygiad o fewn dogfen wybodaeth ategol y cofnod risg gosodedig. Mae nodiadau atgoffa wedi'u hanfon at yr Arweinwyr Risg a Pherchnogion 			
	Gweithrediadau er mwyn adolygu a diweddaru eu risgiau parhaus, un ai'n fisol neu'n chwarterol (yn ddibynnol ar y math o risg).			
	 Ers y diweddariad blaenorol, mae bob risg ar Gofrestr Risg yr Heddlu wedi'u hadolygu yn y cyfarfodydd canlynol gyda dim materion nac eithriadau wedi'u codi. Cyfarfodydd Tîm Uwch Reoli Adrannol Cyfarfod Uwch Dîm Arweinyddiaeth Bwrdd Rheoli Strategol Bwrdd Gweithredol Strategol Bwrdd Newid a Chydweithredu Strategol 			
	• Adroddir crynodeb o'r holl risgiau a gofnodwyd ar Gofrestrau Risg a Covid19 yr Heddlu i'r Bwrdd Sicrwydd hefyd.			
	 Crynodeb o risgiau byw a gofnodwyd ar Gofrestr Risgiau'r Heddlu hyd at ac yn cynnwys 6 Medi 2021 ac yn amlygu'n benodol: Risgiau newydd a ychwanegwyd at y gofrestr risg ers y diweddariad diwethaf Risg 76 GOLYGWYD AR GYFER SESIWN GAEEDIG Risg 77 Llwyth Gwaith Cynyddol yn yr Uned Prosesu Camerâu Cyflymder Risg 78 System Weithredu Microsoft Windows 10 heb ei chefnogi Risg 79 Hyfforddiant Cwrs Gloywi Gorfodol Risg 80 Llys yn rhestru amserlenni achosion oherwydd Covid 19 			
	 Newidiadau i'r Risgiau ar Gofrestr Risg yr Heddlu ers yr adroddiad diwethaf 			

	 Risg 64 – GOLYGWYD AR GYFER SESIWN GAEEDIG Risg 73 – GOLYGWYD AR GYFER SESIWN GAEEDIG
	 Risg 74 – GOLYGWYD AR GYFER SESIWN GAEEDIG
	 Crynodeb o radd RAG Gweithrediadau Risg Cofrestr Risgiau'r Heddlu, gyda dim pryderon wedi'u hamlygu.
	 At wraidd y mater risg Risg 76 GOLYGWYD AR GYFER SESIWN GAEEDIG yn destun adroddiad at wraidd y mater a chaiff ei gyflwyno o dan bapur ar wahân.
	 Ers y diweddariad blaenorol, mae bob risg ar Gofrestr Risg COVID19 yr Heddlu wedi'u hadolygu yn y cyfarfodydd canlynol. Cyfarfodydd Uwch Dîm Rheoli Adrannol Perthnasol Cyfarfod Uwch Dîm Arweinyddiaeth Bwrdd Rheoli Strategol Bwrdd Gweithredol Strategol Bwrdd Hyblygrwydd Tactegol Grŵp Arian Covid19
	 Crynodeb o risgiau byw a gofnodwyd ar Gofrestr Risgiau COVID19 yr Heddlu hyd at 6 Medi 2021 ac yn amlygu'n benodol: Cau'r risgiau canlynol ar y gofrestr COVID19 ers y diweddariad diwethaf Risg CV08/20 Staff sy'n dychwelyd i Safleoedd HGC Risg CV10/20 Cyflwyno diwylliant ac ethos ar staff o bell sydd newydd eu recriwtio
	 Newidiadau risg ar Gofrestr Risg COVID19 yr Heddlu ers yr adroddiad diwethaf Risg CV11/20 Hyfforddiant Cwrs Gloywi Gorfodol Risg CV05/20 Llys yn rhestru amserlenni achosion oherwydd Covid 19
	 Datblygiadau o ran rheoli risg ers yr adroddiad diwethaf: Cyfarfod Arweinyddion Risg Cymru Gyfan Ymarfer Mapio Sicrwydd Cyfarfod Ar-lein gydag Aelod o'r CA Mewnbynnau ar Reoli Risg Cyfarfodydd yn y Dyfodol gydag Arweinydd Risg y CA
Argymhellion:	Dim
Effaith Cofrestr Risgiau:	Mae'r adroddiad hwn yn seiliedig ar gofnodion a gofnodwyd ar Gofrestr Risgiau'r Heddlu a Chofrestr Risgiau COVID 19
Goblygiadau Sicrwydd:	Mae'r adroddiad hwn yn uniongyrchol berthnasol i ddatblygu sicrwydd yn Heddlu Gogledd Cymru

Effaith Cydraddoldeb:	Dim
Gwybodaeth wedi'i Heithrio o	Do (amlygwyd mewn melyn)
Ddadleniad:	

1. CYFLWYNIAD

Diben yr adroddiad hwn yw cynnig diweddariad ar broses rheoli risg sefydliadol gan roi trosolwg o statws risgiau'r Comisiynydd Heddlu a Throsedd a Heddlu Gogledd Cymru. Mae'n seiliedig ar wybodaeth a dderbyniwyd ac a gofnodwyd erbyn 6 Medi 2021 ar Gofrestr Risg yr Heddlu fersiwn 5.304 a Chofrestr Risg COVID19 0.76.

Mae risgiau prosiectau yn cael eu rheoli ar wahân o fewn y Swyddfa Rheoli Portffolios. Fodd bynnag mae'r rhai hynny sydd angen sylw'r Heddlu yn cael eu rhoi ar Gofrestr Risgiau'r Heddlu drwy'r broses a gytunir a ddogfennir yn y Fframwaith Mapio Risg a Sicrwydd.

2. CRYNODEB COFRESTR RISGIAU'R HEDDLU

Rydym yn parhau i osod ein hymdriniaeth i Reoli Risg ledled y sefydliad drwy ryngweithio rheolaidd gyda'r Arweinwyr/Perchnogion Risg un ai'n fisol neu'n chwarterol (yn dibynnu ar y math o risg). Mae nodiadau atgoffa wedi'u hanfon at yr unigolion er mwyn adolygu a diweddaru gweithrediadau parhaus er mwyn sicrhau bod risg yn parhau i gyrraedd y targed. Ar ben hyn, rydym yn parhau i gynnal adolygiad misol o bob risg ac wedi codi unrhyw bryderon neu broblemau gydag Arweinwyr Risg ac Uwch Dimau Rheoli drwy eu hadroddiadau prif faterion risg. Mae risgiau hefyd wedi cael eu hadrodd a'u hadolygu yng Nghyfarfod yr Uwch Dîm Arwain, y Bwrdd Gweithredu Strategol, y Bwrdd Newid a Chydweithio Strategol, y Bwrdd Hyblygrwydd Tactegol, y Bwrdd Rheoli Strategol a'r Bwrdd Gweithredu Strategol gyda dim materion nac eithriadau yn cael eu codi. Adroddir crynodeb o'r holl risgiau a gofnodwyd ar Gofrestrau Risg a Covid19 yr Heddlu i'r Bwrdd Sicrwydd hefyd.

Lefelau'r Risg cyn Rheolaethau	Cyfanswm Blaenorol Risg HGC	Risgiau a gaewyd yn y cyfnod hwn	Risgiau Newydd yn y cyfnod hwn	Risgiau a drosglwyddwyd o Gofrestr COVID19 i Gofrestr Risgiau'r Heddlu	Risgiau HGC a gofnodir ar hyn o bryd ar Gofrestr Risg yr Heddlu	
Difrifol	4	0	0	0	5 ** Gweler sylw isod	
Uchel	17	0	3	2	21 ** Gweler sylw isod 2	
Canolig	2	0	0	0		
*Heb ei ddiffinio	0	0	0	0	0	
Cyfanswm	23	0	3	2	28	

Tabl 1: - Risgiau HGC ar Gofrestr Risg yr Heddlu 7 Gorffennaf 2021 – 6 Medi 2021
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*Heb eu diffinio yw risgiau sy'n disgwyl cwblhad y Templed Risgiau gan yr Arweinydd/Perchennog Risgiau ** Ers y CA diwethaf, adolygwyd Galw Uned Atgyfeirio Ganolog Risg 74 yn llawn ac fe ail-sgoriwyd, gan arwain at ei 'lefel Cyn Rheolaeth' yn cael ei godi o **Uchel** i **DDIFRIFOL.** Mae'r newid hwn wedi newid y Risgiau HGC a gofnodir ar hyn o bryd ar gyfansymiau Cofrestr Risg yr Heddlu.

Lefelau'r Risg cyn Rheolaethau	Cyfanswm Blaenorol Risg SCHTh	Risgiau a gaewyd yn y cyfnod hwn	Risgiau Newydd yn y cyfnod hwn	Risgiau SCHTh a gofnodir ar hyn o bryd ar Gofrestr Risg yr Heddlu
Difrifol	1	0	0	1
Uchel	0	0	0	0
Canolig	0	0	0	0
*Heb ei ddiffinio	0	0	0	0
Cyfanswm	1	0	0	1

Tabl 2: - Risgiau SCHTh ar Gofrestr Risg yr Heddlu 7 Gorffennaf 2021 – 6 Medi 2021

3. NEWIDIADAU I'R RISGIAU A GOFNODWYD YNG NGHOFRESTR RISG YR HEDDLU ERS YR ADRODDIAD DIWETHAF

Risg 76 – GOLYGWYD AR GYFER SESIWN GAEEDIG

Risg 77 – Llwyth Gwaith Cynyddol yn yr Uned Prosesu Camerâu Cyflymder

Mae Risg bydd llwyth gwaith yn cynyddu'n sylweddol o fewn yr Uned. Mae hyn **wedi'i achosi gan** orfodaeth gynyddol o droseddau cyflymder gan ddefnyddio camerâu sefydlog a symudol yn sgil llacio Rheoliadau Covid-19 a bod mwy o bobl yn dod i Ogledd Cymru am eu gwyliau (gwyliau gartref) a Gorfodi Parthau allyriadau isel ar gyfer Cymru gyfan. **Gall arwain at** yr Uned Prosesu Camerâu Diogelwch yn cael ei boddi gyda throseddau na ellir eu prosesu. Mae gan yr Uned staff i brosesu 5,000 o droseddau bob mis. Ym mis Mehefin cododd hyn i 7,822 o droseddau a 6,831 ym mis Gorffennaf. Ers dechrau'r gwaith ffordd ar yr A55, cododd y nifer o droseddau yn yr ardal honno o 600-700 o droseddau'r mis i dros 2000. Gall troseddau fynd allan o amser neu gallent gael eu tynnu'n ôl.

Cyn mesurau rheoli, dosbarthwyd hwn fel risg UCHEL. Mae hwn yn Risg DYNAMIG gyda Lefel Risg Presennol o GANOLIG ac mae ganddo 5 Gweithrediad BYW sydd Ar y Gweill.

Risg 78 – System Weithredu Microsoft Windows 10 heb ei chefnogi

Mae Risg Diogelwch Gwybodaeth Cenedlaethol bod Windows 10 heb ei gefnogi yn cysylltu â gwasanaethau cwmwl newydd **wedi'i achosi gan** y mudo cenedlaethol i wasanaethau cwmwl a chyhoeddiadau cymorth diwedd bywyd Microsoft **a all arwain at** fregusrwydd cynyddol HGC am ymosodiad seiber.

Cyn mesurau rheoli, dosbarthwyd hwn fel risg UCHEL. Mae hwn yn Risg DYNAMIG gyda Lefel Risg Presennol o GANOLIG ac mae ganddo 1 Gweithrediad BYW sydd Ar y Gweill.

Risg 79 Hyfforddiant Cwrs Gloywi Gorfodol

Mae'r risg hon wedi'i throsglwyddo drosodd i Gofrestr Risg yr Heddlu o Gofrestr Risg COVID19 (URN CV11/20) gan nad yw'r 1 Gweithrediad Byw yn berthnasol i COVID ond yn fater busnes fel arfer.

Mae Risg os na ellir cyflwyno hyfforddiant cwrs gloywi gorfodol i swyddogion/staff **wedi'i** achosi gan ddiffyg presenoldeb sy'n effeithio ar y niferoedd a hyfforddwyd a all arwain at swyddogion/staff yn methu ail-achredu. Gall hyn eu rhoi nhw a'r cyhoedd mewn risg ynghyd ac achosi cwynion a gweithrediad cyfreithiol.

Cyn mesurau rheoli, dosbarthwyd hwn fel Risg Uchel. Mae hwn yn Risg DYNAMIG gyda Lefel Risg Presennol o GANOLIG ac mae ganddo 1 Gweithrediad BYW sydd Ar y Gweill.

Risg 80 Llys yn rhestru amserlenni achosion oherwydd Covid 19

Mae'r risg hon wedi'i throsglwyddo drosodd i Gofrestr Risg yr Heddlu o Gofrestr Risg COVID19 (URN CV05/20) gan nad yw'r Gweithrediad Byw yn berthnasol i COVID ond yn dychwelyd i fusnes fel arfer.

Mae Risg ôl-groniadau llys **wedi'i achosi gan** bandemig Covid-19 **a all arwain at** achosion GAP uniongyrchol fel achosion yfed a gyrru a gyrru ar gyffuriau ar fechnïaeth am 84 diwrnod a'u brysbennu wedi hynny, gan achosi oedi pellach. Mae risg o yrwyr yn aildroseddu yn ystod y cyfnod hwn pan maent gyda'r rhyddid i yrru. Mae risg pellach yr adolygir troseddau lefel isel a'u terfynu ar sail diddordeb y cyhoedd.

Cyn mesurau rheoli, dosbarthwyd hwn fel Risg Uchel. Mae hwn yn Risg SEFYDLOG gyda Lefel Risg Presennol o GANOLIG ac mae ganddo 1 Gweithrediad BYW sydd Ar y Gweill.

4. NEWIDIADAU I GOFRESTR RISGIAU'R HEDDLU ERS YR ADRODDIAD DIWETHAF

Nid oes unrhyw risgiau wedi'u cau ar Gofrestr Risg yr Heddlu ers yr adroddiad diwethaf.

5. NEWIDIADAU I'R RISGIAU A GOFNODWYD YNG NGHOFRESTR RISGIAU'R HEDDLU ERS YR ADRODDIAD DIWETHAF

Risg 64 – GOLYGWYD AR GYFER SESIWN GAEEDIG Risg 73 – GOLYGWYD AR GYFER SESIWN GAEEDIG Risg 74 – GOLYGWYD AR GYFER SESIWN GAEEDIG

6. GWEITHREDIADAU COFRESTR RISGIAU'R HEDDLU

Tabl 3: - Gradd RAG Gweithrediadau Risg

Gweithrediadau Ddim ar	Gweithrediadau Ar y Gweill ond	Gweithrediadau Ar	Gweithrediadau
y Gweill	gyda Phroblemau	y Gweill	wedi'u Cwblhau
0	0	67	68

Mae'r holl weithrediadau risg yn parhau ar y gweill gyda dim problemau wedi'u hamlygu.

7. AT WRAIDD Y MATER RISGIAU:

Risg 76 **GOLYGWYD AR GYFER SESIWN GAEEDIG** yn destun adroddiad at wraidd y mater a chaiff ei gyflwyno o dan bapur ar wahân.

8. CRYNODEB COFRESTR RISGIAU COVID19 YR HEDDLU

Tabl 4: - Cofrestr Risg Covid19 yr Heddlu 7 Gorffennaf 2021 - 6 Medi 2021

Lefelau'r Risg cyn Rheolaethau	Cyfanswm Blaenorol	Wedi ei gau yn y cyfnod hwn	Newydd yn y cyfnod hwn	Risgiau a drosglwyddwyd i Gofrestr COVID19	Risgiau a drosglwyddwyd o Gofrestr COVID19 i Gofrestr Bisgiau'r	Cyfanswm Risgiau Cyfredol COVID19
		hwn	hwn	COVID19	Gofrestr Risgiau'r Heddlu	COVID19

Difrifol	0	0	0	0	0	0
Uchel	3	1	0	0	2	0
Canolig	0	0	0	0	0	0
Isel	1	1	0	0	0	0
Dibwys	0	0	0	0	0	0
*Heb ei ddiffinio	0	0	0	0	0	0
Cyfanswm	4	2	0	0	2	0

9. RISGIAU NEWYDD A GOFNODWYD AR GOFRESTR RISGIAU COVID19 YR HEDDLU ERS YR ADRODDIAD DIWETHAF

Nid oes risgiau newydd wedi'u hychwanegu at Gofrestr Risgiau COVID19 yr Heddlu ers yr adroddiad diwethaf.

10. RISGIAU WEDI CAU O GOFRESTR RISGIAU COVI9 YR HEDDLU ERS YR ADRODDIAD DIWETHAF Mae 2 risg wedi'u cau ar Gofrestr Risgiau Covid19 yr Heddlu ers yr adroddiad diwethaf.

Risg CV08/20 Staff sy'n dychwelyd i Safleoedd HGC

Cyn mesurau rheoli, dosbarthwyd hwn fel risg UCHEL. Mae'r risg DDEINAMIG hon yn ymwneud â staff sy'n gweithio gartref ar hyn o bryd yn dychwelyd i adeiladau HGC a methu cael eu hwyluso oherwydd cadw pellter cymdeithasol a rheolau a rheoliadau eraill COVID a drosglwyddir gan Lywodraeth Cymru. Cafodd y lefel risg bresennol ei gostwng ym mis Mehefin 2021 o GANOLIG i ISEL yn sgil ceisiadau gan staff i ddychwelyd i'r gwaith sy'n cael eu rheoli drwy Uwch Dimau Rheoli. Mae'r lefel Targed Risg ISEL wedi'i gyrraedd ac mae'r Risg wedi'i drin. Wedi'i gytuno gyda'r Prif Uwcharolygydd Nigel Harrison y gellir cau'r Risg.

Risg CV10/20 Cyflwyno diwylliant ac ethos ar staff o bell sydd newydd eu recriwtio

Cyn mesurau rheoli, dosbarthwyd hwn fel risg ISEL. Roedd y risg SEFYDLOG hwn yn berthnasol i staff newydd sy'n cael eu recriwtio i'r sefydliad ac yn gorfod gweithio o gartref, y mae angen i ddiwylliant ac ethos y sefydliad gael eu cyflwyno iddynt er mwyn gweithio'n gytûn gyda staff presennol sydd eisoes yn gweithio o gartref. Mae'r lefel Targed ISEL wedi'i gyrraedd ac mae'r Risg wedi'i drin. Mae'r Rhaglen Hyblygrwydd wedi mynd â hyn ymlaen gyda pholisïau a gweithdrefnau yn cael eu rhoi mewn lle. Wedi'i gytuno gyda'r Prif Uwcharolygydd Nigel Harrison y gellir cau'r Risg.

11. NEWIDIADAU I'R RISGIAU AR GOFRESTR RISGIAU COVID19 YR HEDDLU ERS YR ADRODDIAD DIWETHAF

Mae 2 risg wedi'u trosglwyddo drosodd o Gofrestr Risg Covid19 yr Heddlu i Gofrestr Risg yr Heddlu ers yr adroddiad diwethaf. Nid oes risgiau Covid19 BYW ar ôl ar y Gofrestr hon.

Risg CV11/20 Hyfforddiant Cwrs Gloywi Gorfodol

Mae'r risg hon wedi'i throsglwyddo drosodd i Gofrestr Risg yr Heddlu (URN 79) o Gofrestr Risg COVID19 gan nad yw'r 1 Gweithrediad Byw yn berthnasol i COVID ond yn fater busnes fel arfer.

Mae Risg os na ellir cyflwyno hyfforddiant cwrs gloywi gorfodol i swyddogion/staff **wedi'i** achosi gan ddiffyg presenoldeb sy'n effeithio ar y niferoedd a hyfforddwyd a all arwain at swyddogion/staff yn methu ail-achredu. Gall hyn eu rhoi nhw a'r cyhoedd mewn risg ynghyd ac achosi cwynion a gweithrediad cyfreithiol.

Cyn mesurau rheoli, dosbarthwyd hwn fel Risg Uchel. Mae hwn yn Risg DYNAMIG gyda Lefel Risg Presennol o GANOLIG ac mae ganddo 1 Gweithrediad BYW sydd Ar y Gweill.

Risg CV05/20 Llys yn rhestru amserlenni achosion oherwydd Covid 19

Mae'r risg hon wedi'i throsglwyddo drosodd i Gofrestr Risg yr Heddlu o Gofrestr Risg COVID19 (URN 80) gan nad yw'r Gweithrediad Byw yn berthnasol i COVID ond yn dychwelyd i fusnes fel arfer.

Mae Risg ôl-groniadau llys **wedi'i achosi gan** bandemig Covid-19 **a all arwain at** achosion GAP uniongyrchol fel achosion yfed a gyrru a gyrru ar gyffuriau ar fechnïaeth am 84 diwrnod a'u brysbennu wedi hynny, gan achosi oedi pellach. Mae risg o yrwyr yn aildroseddu yn ystod y cyfnod hwn pan maent gyda'r rhyddid i yrru. Mae risg pellach yr adolygir troseddau lefel isel a'u terfynu ar sail diddordeb y cyhoedd.

Cyn mesurau rheoli, dosbarthwyd hwn fel Risg Uchel. Mae hwn yn Risg SEFYDLOG gyda Lefel Risg Presennol o GANOLIG ac mae ganddo 1 Gweithrediad BYW sydd Ar y Gweill.

12. GWEITHREDIADAU COFRESTR RISGIAU COVID19 YR HEDDLU

Nid oes risgiau ar Gofrestr Risg COVID19 neu weithrediadau BYW ar ôl.

13. DATBLYGIADAU O RAN RHEOLI RISGIAU

Cyfarfod Arweinyddion Risg Cymru Gyfan

Mae rhwydweithio'n parhau gyda Rheolwyr Risg eraill yr Heddlu er mwyn ceisio arfer gorau, gwersi a ddysgwyd ac ymgysylltu drwy Gyfarfodydd Risg Rhanbarthol Cymru Gyfan, yn fwyaf diweddar ar 1 Medi 2021. Cytunodd pawb bod y cyfarfod hwn yn ddefnyddiol ac yn rhoi cyfle i rannu gwybodaeth a allai wella prosesau rheoli risg. Bydd y cyfarfod hwn rŵan yn digwydd yn fisol.

Ymarfer Mapio Sicrwydd

Mae'r Ymarfer Mapio Sicrwydd wedi ailgychwyn yn dilyn dychweliad Arweinydd Risg a Pharhad Busnes yr Heddlu. Mae ar hyn o bryd ar y gweill i gyflawni'r cynllun arfaethedig a adroddwyd yn y cyfarfod diwethaf. Mae risgiau a gofnodir ar Gofrestr Risg yr Heddlu yn cael eu rhoi ar fap sicrwydd ar hyn o bryd. Mae cyfarfodydd gydag arweinwyr risg unigol yn cael eu cynnal drwy gydol mis Medi. Unwaith mae'r cam hwn wedi'i gwblhau, yn ystod mis Hydref bydd ymgynghoriadau gyda Phrif Swyddogion, Arweinwyr Gwasanaeth ac Uwch Dimau Rheoli yn digwydd er mwyn canfod pa feysydd risg yr hoffent gael sicrwydd arno. Bydd cynnydd ar yr ymarfer hwn yn parhau i gael ei adrodd yn y cyfarfod hwn.

Cyfarfod Ar-lein gydag Aelod o'r CA

Yn dilyn cais yn y cyfarfod diwethaf gan Aelod o'r CA Sarah Davies i drafod ein prosesau rheoli risg tu allan i brif gyfarfod y CA, ac yn benodol sut y datblygir risgiau prosiect ar gyfer eu cofnodi ar Gofrestr Risg yr Heddlu, gallaf gadarnhau y cynhaliwyd cyfarfod ar-lein yn ddiweddar gyda'r Arweinydd Parhad Risg a Busnes, Pennaeth Cudd-wybodaeth Busnes ac Aelod o'r CA Sarah Davies.

Mewnbynnau ar Reoli Risg

Mae mewnbynnau ar Reoli Risg yn parhau i gael eu cyflwyno i Swyddogion a Staff newydd Heddlu Gogledd Cymru ac Uwch Dimau Rheoli ledled yr Heddlu.

Cyfarfodydd yn y Dyfodol gydag Arweinydd Risg y CA

Mae'r Arweinydd Risg a Pharhad Busnes wedi dychwelyd i'w rôl. Cynigir felly ailgychwyn cyfathrebu rheolaidd gydag Arweinydd Risg y CA a'i fod yn cael ei gefnogi gan holl aelodau'r CA. Mae hyn yn sicrhau tryloywder a sicrwydd o brosesau Rheoli Risg yr Heddlu.

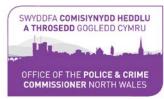
14. COFRESTR RISGIAU'R HEDDLU AR 06/09/2021

		Lefelau'r Risg		1		Cynnydd Gweithrediadau Risg sy'n Weddill					
RHIF CYFEIRNOD UNIGRYW	Teitl y Risg	Cyn Rheolaethau	Yn bresennol	Targed	Math o Risg	Dyddiad yr Adolygiad Diwethaf	Weithrediadau Gweddilliol	Gweithrediadau wedi'u Cwblhau	Ar y Gweill	Ar y Gweill ond gyda Phroblemau	Dim ar y Gweill
3	Cronfa Ddata RMS Legacy	Uchel	Canolig	Isel	Sefydlog	18/06/21	1	1	1		
9	Digonolrwydd adnoddau ariannol	Difrifol	Uchel	Canolig	Sefydlog	11/08/21	1	3	1		
10	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Isel	Sefydlog	18/06/21	1	8	1		
11	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Isel	Dibwys	Sefydlog	18/06/21	1	9	1		
13	Dim digon o adnoddau ariannol i gyflwyno cynlluniau gwasanaeth	Difrifol	Canolig	Canolig	Sefydlog	24/06/21	1	7	1		
14	Risg o golli arian a fuddsoddwyd ar y farchnad arian	Difrifol	Isel	Isel	Sefydlog	05/07/21	1	5	1		
46	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Uchel	Canolig	Sefydlog	10/05/21	2	0	2		
47	Gallu Integreiddio swyddogion 'Uplift'	Uchel	Isel	Isel	Sefydlog	27/08/21	1	2	1		
53	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Canolig	Sefydlog	29/06/21	2	6	2		
54	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Isel	Dynamig	07/07/21	1	0	1		
57	Mae ESN yn profi i fod yn ddatrysiad anhyfyw neu is-optimaidd o ystyried pryderon cenedlaethol a lleol o ran ffiniau cyflawni Amser, Cost ac Ansawdd.	Uchel	Uchel	lsel	Sefydlog	04/05/21	2	0	2		
60	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Canolig	Sefydlog	24/06/21	1	3	1		
63	Pandemig	Difrifol	Uchel	Canolig	Sefydlog	19/07/21	1	5	1		
64	GOLYGWYD AR GYFER SESIWN GAEEDIG	Canolig	Canolig	Isel	Dynamig	19/07/21	1	2	1		
65	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Canolig	Sefydlog	19/07/21	5	0	5		
66	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Isel	Dynamig	17/08/21	2	1	2		
67	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Isel	Isel	Dynamig	25/08/21	1	2	1		
69	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Isel	Sefydlog	05/08/21	1	2	1		
70	GOLYGWYD AR GYFER SESIWN GAEEDIG	Canolig	Canolig	Isel	Sefydlog	23/08/21	3	0	3		
71	Pensiynau	Uchel	Uchel	Canolig	Sefydlog	03/09/21	4	0	4		
72	Diffyg cydymffurfio â'r Ddeddf Diogelu Data	Uchel	Canolig	Isel	Sefydlog	08/06/21	2	0	2		
73	GOLYGWYD AR GYFER SESIWN GAEEDIG	Difrifol	Uchel	Isel	Dynamig	02/09/21	1	0	1		
74	GOLYGWYD AR GYFER SESIWN GAEEDIG	Difrifol	Uchel	Canolig	Dynamig	03/09/21	5	9	5		
75	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Uchel	Canolig	Dynamig	11/08/21	3	0	3		
76	GOLYGWYD AR GYFER SESIWN GAEEDIG	Uchel	Canolig	Isel	Dynamig	19/08/21	14	0	14		
77	Llwyth Gwaith Cynyddol yn yr Uned Prosesu Camerâu Cyflymder	Uchel	Canolig	Isel	Dynamig	10/08/21	6	1	6		
78	System Weithredu Microsoft Windows 10 heb ei chefnogi	Uchel	Uchel	Canolig	Dynamig	19/08/21	1	1	1		
79	Hyfforddiant Cwrs Gloywi Gorfodol	Uchel	Canolig	Isel	Dynamig	05/08/21	1	1	1		
80	Llys yn rhestru amserlenni achosion oherwydd Covid 19	Uchel	Canolig	Isel	Sefydlog	11/08/21	1	0	1		

15. COFRESTR RISGIAU'R HEDDLU AR 06/09/21

Nid oes risgiau Covid19 BYW wedi'u cofnodi ar Gofrestr Risg Covid19 yr Heddlu.





Cydbwyllgor Archwilio

Dyddiad y Cyfarfod: 4 Awst 2021

Teitl:	Rhaglen Waith Arfaethedig	
Awdur:	Prif Swyddog Cyllid	
Diben yr adroddiad:	l gytuno ar y rhaglen waith	
Cyflwynir yr adroddiad i'r CA ar gyfer:	□ X Penderfyniad	
(ticiwch un)		
	□ Sicrwydd	
	□ Gwybodaeth	
Crynodeb / Pwyntiau Allweddol:	 mae hyn yn sicrhau bod y Cydbwyllgor yn gallu cyflawni ei ddyletswyddau yn unol gyda dyddiadau cau statudol, a bod holl gyfrifoldebau'r Cydbwyllgor yn cael eu cwblhau yn ystod bob blwyddyn. rydym wedi gwrando ar adborth gan y Cydbwyllgor Archwilio, ac wedi ychwanegu'r eitemau canlynol i'w cyflwyno i gyfarfodydd yn y dyfodol: rheoli gwybodaeth a chydymffurfiaeth darparu gwasanaeth archwilio mewnol 	
Argymhellion:	 Aelodau'r Cydbwyllgor i nodi pa eitemau sy'n amodol ar ddyddiad cau statudol, ac felly mae'r cyfarfodydd wedi'u trefnu i gyflawni'r gofynion hynny. Aelodau'r Cydbwyllgor i ystyried cynnwys ychwanegol a allai gael ei gyflwyno mewn cyfarfodydd yn y dyfodol. 	
	• Rhaglen waith y dyfodol i gael ei chyflwyno i bob cyfarfod, gan amlinellu'r gwaith am y deuddeg mis nesaf yn dreiglol.	
Effaith cofrestr risgiau:	Un o ddibenion y Cydbwyllgor yw rhoi sicrwydd i'r Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl fod risgiau ariannol ac anariannol yn cael eu rheoli'n effeithiol.	
Goblygiadau sicrwydd:	Diben y Cydbwyllgor Archwilio yw rhoi sicrwydd i'r Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl, yn unol â'r Cylch Gorchwyl. Mae'r rhaglen waith yn cynorthwyo i sicrhau bod holl feysydd perthnasol yn cael eu cyflwyno i'r Cydbwyllgor.	
Effaith Cydraddoldeb:	Ystyriwyd deddfwriaeth cydraddoldeb wrth recriwtio aelodau annibynnol y Cydbwyllgor Archwilio. Mae <u>Cynllun Cydraddoldeb ar y Cyd</u> mewn grym.	
Gwybodaeth wedi'i heithrio o ddadleniad:	Dim.	

CYDBWYLLGOR ARCHWILIO



6 Hydref 2021

RHAGLEN GWAITH ARFAETHEDIG



Adroddiad gan y Prif Swyddog Cyllid

1. CYFLWYNIAD

- **1.1** Mae'r Cydbwyllgor Archwilio wedi derbyn rhaglen waith yn flynyddol yn ystod cyfarfod mis Gorffennaf. Mae hyn yn sicrhau fod y Cydbwyllgor yn gallu cyflawni ei ddyletswyddau yn unol â dyddiadau cau statudol, a bod holl gyfrifoldebau'r Cydbwyllgorau yn cael eu rhyddhau yn ystod bob blwyddyn.
- **1.2** Yn ogystal, mae eitemau i'w cyflwyno i'r Cydbwyllgor Archwilio i'w nodi drwy ffyrdd amrywiol gan swyddogion, staff neu aelodau'r Cydbwyllgor. Mae'r rhain wedi'u hychwanegu at y rhaglen waith yn llai ffurfiol, ac yn cael eu hychwanegu at yr agenda fel bo'n briodol.
- **1.3** Mae plismona'n amgylchfyd sy'n newid yn barhaus. Tra ei bod yn hanfodol fod y Cydbwyllgor Archwilio'n cyflawni gorchwylion penodol erbyn dyddiadau allweddol, mae cyflwyno'r rhaglen waith dim ond unwaith y flwyddyn yn anhyblyg. Nid yw'n dogfennu'n ddigonol pan mae eitemau sy'n cael eu nodi o'r newydd i'w cyflwyno i'r cydbwyllgor. Felly, yn y cyfarfod a gynhaliwyd ar 9 Mawrth 2020, fe wnaeth y Cydbwyllgor gynnig fod y rhaglen waith i'w thrafod ar ddiwedd bob cyfarfod.
- **1.4** Mae'r adroddiad hwn, felly, yn cynnwys y cynllun gwaith arfaethedig ar gyfer y deuddeg mis nesaf. Os nad yw dyddiad y cyfarfod wedi'i gadarnhau, dangosir mis y cyfarfod fel arweiniad.

2. ARGYMHELLION

- **2.1** Aelodau'r Cydbwyllgor i nodi pa eitemau sy'n amodol ar ddyddiad cau statudol, ac felly mae'r cyfarfodydd wedi'u trefnu i gyflawni'r gofynion hynny.
- **2.2** Aelodau'r Cydbwyllgor i ystyried cynnwys ychwanegol a allai gael eu cyflwyno mewn cyfarfodydd yn y dyfodol.
- **2.3** Rhaglen waith y dyfodol i gael ei chyflwyno i bob cyfarfod, gan amlinellu'r gwaith am y deuddeg mis nesaf yn dreiglol.

3. RHAGLEN WAITH

- **3.1** Gan eithrio eitemau a amserlennwyd sy'n bodloni dyddiadau cau statudol, mae'r rhaglen waith yn hyblyg. Felly, gall eitemau ychwanegol gael eu hychwanegu os yw'r angen yn codi.
- **3.2** Mae nifer o eitemau agenda sefydlog ar hyn o bryd yn cael eu trefnu ar gyfer bob cyfarfod. Bydd y rhain yn parhau ar agenda'r CA hyd nes y clywir yn wahanol:

Dyddiad y Cyfarfod	Rhaglen Waith 2021/22
Pawb (Hyd nes y clywir	Diweddariad Busnes
yn wahanol)	Diweddariad HMICFRS
	Diweddariad Archwilio Mewnol
	Diweddariad Risgiau
	Rhaglen Waith

Mae'r rhaglen waith ar wahân i'r eitemau agenda sefydlog a amlinellir uchod fel a ganlyn:

Dyddiad y Cyfarfod	Rhaglen Waith 2021/22	
6 Hydref 2021	 ISA 260 a llofnodi cyfrifon 2020/21 	
	Diweddariad llywodraethu	
	Diweddariad Cod FM	
	Cyflawniad Rheoli'r Trysorlys	
	 Proffiliau Gwerth am Arian HMICFRS 	
	At Wraidd y Mater - Trosolwg Cydweithrediad	
8 Rhagfyr 2021	 Archwilio Cymru – Adroddiad Gwerth am Arian ac Archwiliad Blynyddol (Llythyr Rheolwyr) Adroddiad Cyfreithiol Diweddariad llywodraethu Diweddariad Cod FM Moeseg Cyflawniad Rheoli'r Trysorlys At wraidd y mater risg: Trawsnewidiad Digidol (Llywodraethu) Rhaglen Gyfalaf – diweddariad cynnydd 2021/22 (agored) 	
Gwanwyn 2022	Digwyddiad blynyddol Cydbwyllgorau Cymru	
28 Mawrth 2022	 Strategaeth Gyfalaf (yn cynnwys Strategaeth Rheoli'r Trysorlys) i'w chadarnhau cyn 1 Ebrill 2022 Diweddariad llywodraethu – yn cynnwys drafft AGS; Archwilio Cymru – cynllun blynyddol 	
	Datganiad Rheoli'r Heddlu	

	• Datganiad strategaeth risg a chwant risg –	
	Adolygiad blynyddol	
	 Adroddiad Blynyddol CA – adroddiad drafft a 	
	thrafodaeth	
	• At wraidd y mater risg: Digonolrwydd adnoddau	
	ariannol	
	• At wraidd y mater risg: Trawsnewidiad Digidol	
	(Penodol i brosiect)	
	Archwilio Cymru – aelod o staff tîm dadansoddi	
	Archwilio Cymru i fynychu'r cyfarfod	
	Pwyllgor Moeseg	
Mehefin 2022	Cyfarwyddyd Technegol Cyfrifon	
28 Gorffennaf 2022 • ISA 260 a llofnodi cyfrifon <i>i'w llofnodi erby</i>		
	Gorffennaf 2022	
	Datganiad Rheoli'r Heddlu	
	• Hunan-asesiad ac Adroddiad Blynyddol y CA –	
	adroddiad terfynol	
	• At wraidd y mater risg: Dim cydymffurfio â'r	
	Ddeddf Diogelu Data	
	 Rhaglen gyfalaf (alldro ac edrych ymlaen) 	
	Cyflawniad Rheoli'r Trysorlys	
6 Hydref 2022	 Cyflawniad Rheoli'r Trysorlys Diweddariad Llywodraethu 	
	Proffiliau Gwerth am Arian HMICFRS	
8 Rhagfyr 2022	 Archwilio Cymru – Adroddiad Gwerth am Arian ac 	
	Archwiliad Blynyddol (Llythyr Rheolwyr)	
	 Adroddiad Cyfreithiol 	
	 Datganiad strategaeth risg a chwant risg – 	
	Adolygiad blynyddol	
	Diweddariad llywodraethu	
	Moeseg	
	Cyflawniad Rheoli'r Trysorlys	

Darpar Raglen At Wraidd y Mater Risgiau	• Eitemau arfaethedig presennol sy'n cyfrannu i'r rhaglen uchod.
Adroddiadau At Wraidd y Mater Blaenorol i gyfeirio ato yn yr Adroddiad Risg Cyfnodol	 Gorchymyn a Rheoli Strategaeth Cyrchu TGCh Seiber Trawsnewidiad Digidol (NEP)
Eitemau eraill i'w trafod	Darparu gwasanaethau archwilio mewnol

gyda'r CA	

4. GOBLYGIADAU

	1	
4.1	Cydraddoldeb	Ystyriwyd deddfwriaeth cydraddoldeb wrth recriwtio aelodau annibynnol y Cydbwyllgor Archwilio.
		Mae Cynllun Cydraddoldeb ar y Cyd mewn grym.
4.2	Ariannal	
4.2	Ariannol	Mae cynllunio'r gwaith ar gyfer y flwyddyn i ddod yn lleihau'r
		angen am gyfarfodydd unswydd.
4.3	Cyfreithiol	Mae deddfwriaeth yn gofyn i Gydbwyllgor Archwilio gael ei
		sefydlu. Crynhoir swyddogaethau'r Cydbwyllgor Archwilio o fewn
		ei <u>Gylch Gorchwyl</u> , sydd wedi'i baratoi yn unol â <i>Audit</i>
		Committees\Practical Guidance for local Authorities and Police –
		Rhifyn 2018 (CIPFA).
		Mae'r rhaglen waith hon yn ystyried gofynion statudol ac
		ymarferol er mwyn cyflawni'r rhwymedigaethau hyn.
4.4	Cymuned	Cyhoeddir papurau a chofnodion cyfarfodydd, ac mae'r
		cyfarfodydd yn agored i'r cyhoedd eu mynychu.
4.5	Risg	Un o ddibenion y Cydbwyllgor yw rhoi sicrwydd i'r Comisiynydd
	0	Heddlu a Throsedd a'r Prif Gwnstabl fod risgiau ariannol ac
		anariannol yn cael eu rheoli'n effeithiol.
4.6	Cynllun	Mae rôl y Cydbwyllgor Archwilio yn rhan o'r Cynllun Heddlu a
	Heddlu a	Throsedd cyffredinol.
	Throsedd	
	Inrosedu	

Awdur yr Adroddiad:

Kate Jackson Prif Swyddog Cyllid, Swyddfa'r Comisiynydd Heddlu a Throsedd

Adroddiad ar yr Archwiliad o'r Cyfrifon – Comisiynydd Heddlu a Throseddu Gogledd Cymru a Phrif Gwnstabl Heddlu Gogledd Cymru

Blwyddyn archwilio: 2020-21 Dyddiad cyhoeddi: Medi 2021 Cyfeirnod y ddogfen: 2607A2021-22 Paratowyd y ddogfen hon fel rhan o waith a gyflawnir yn unol â swyddogaethau statudol.

Os ceir cais am wybodaeth y gall y ddogfen hon fod yn berthnasol iddi, tynnir sylw at y Cod Ymarfer a gyhoeddwyd o dan adran 45 Deddf Rhyddid Gwybodaeth 2000. Mae Cod adran 45 yn nodi'r arfer o ran trin ceisiadau a ddisgwylir gan awdurdodau cyhoeddus, gan gynnwys ymgynghori â thrydydd partion perthnasol. Mewn perthynas â'r ddogfen hon, mae Archwilydd Cyffredinol Cymru a Swyddfa Archwilio Cymru yn drydydd partion perthnasol. Dylid anfon unrhyw ymholiadau ynglŷn â datgelu neu ailddefnyddio'r ddogfen hon i Swyddfa Archwilio Cymru yn <u>swyddog.gwybodaeth@archwilio.cymru</u>.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Saesneg. This document is also available in English.

Rydym yn bwriadu cyhoeddi adroddiad archwilio diamod ar eich Cyfrifon. Mae rhai materion y mae angen rhoi gwybod ichi amdanynt cyn eu cymeradwyo.

Adroddiad ar yr Archwiliad o'r Cyfrifon

Cyflwyniad	4
Effaith COVID-19 ar archwiliad eleni	4
Adroddiad archwilio arfaethedig	5
Materion arwyddocaol sy'n codi o'r archwiliad	6
Argymhellion	7
Atodiadau	
Atodiad 1 – Llythyr Sylwadau Terfynol: Y Comisiynydd Heddlu a Throseddu	8
Atodiad 2 – Llythyr Sylwadau Terfynol: Y Prif Gwnstabl	11
Atodiad 3 – Adroddiad Archwilio arfaethedig i'r Comisiynydd Heddlu a Throseddu	14
Atodiad 4 – Adroddiad Archwilio arfaethedig i'r Prif Gwnstabl	19

Cyflwyniad

- 1 Rydym yn crynhoi prif ganfyddiadau ein harchwiliad o'ch cyfrifon ar gyfer 2020-21 yn yr adroddiad hwn.
- 2 Rydym eisoes wedi trafod y materion hyn gyda Kate Jackson, Prif Swyddog Cyllid Swyddfa'r Comisiynydd Heddlu a Throseddu a Seb Phillips, Cyfarwyddwr Cyllid ac Adnoddau'r Prif Gwnstabl.
- 3 Nid yw archwilwyr byth yn gallu rhoi sicrwydd cyflawn bod cyfrifon wedi'u datgan yn gywir. Yn lle hynny, rydym yn gweithio i lefel o 'berthnasedd'. Pennir y lefel hon o berthnasedd i geisio adnabod a chywiro camddatganiadau a allai beri fel arall i'r sawl sy'n defnyddio'r cyfrifon gael ei gamarwain.
- 4 Pennwyd lefel perthnasedd o £2.366 miliwn ar gyfer archwiliad eleni o ddatganiadau ariannol y Comisiynydd Heddlu a Throseddu, Grŵp y Comisiynydd Heddlu a Throseddu a'r Prif Gwnstabl.
- 5 Fe wnaethom bennu lefel perthnasedd o £919,000 ar gyfer Cronfa Bensiwn Heddlu Gogledd Cymru.
- 6 Ceir rhai meysydd o fewn y cyfrifon a allai fod yn bwysicach i'r darllenydd ac rydym wedi pennu lefel perthnasedd is ar gyfer y rhain, fel a ganlyn:
 - cydnabyddiaeth ariannol swyddogion £1,000
 - partion cysylltiedig £20,000
- 7 Rydym bellach wedi cwblhau archwiliad eleni'n sylweddol.
- 8 Yn ein barn broffesiynol ni, rydym wedi cydymffurfio â'r safonau moesegol sy'n berthnasol i'n gwaith; rydym yn annibynnol arnoch chi; ac nid yw ein gwrthrychedd wedi cael ei beryglu mewn unrhyw ffordd. Rydym wedi'ch hysbysu'n flaenorol am fygythiad posibl i annibyniaeth a gwrthrychedd archwilwyr am bod un o'm staff yn perthyn i swyddog heddlu sy'n gwasanaethu ar hyn o bryd, ac rydym yn cadarnhau bod y trefniadau diogelu arfaethedig a nodwyd yn ein Cynllun Archwilio wedi gweithredu fel a fwriadwyd.

Effaith COVID-19 ar Archwiliad Eleni

- 9 Mae pandemig COVID-19 wedi cael effaith arwyddocaol ar bob agwedd ar ein cymdeithas ac mae'n parhau i wneud hynny. Mae'n ofynnol yn ôl y gyfraith eich bod yn paratoi cyfrifon ac mae'n glod sylweddol i ymrwymiad eich tîm cyfrifon eich bod wedi llwyddo i wneud hynny eleni yn wyneb yr heriau a achosir gan y pandemig hwn. Rydym yn eithriadol o ddiolchgar i broffesiynoldeb y tîm o ran y modd y gwnaethant ein cynorthwyo ni i gwblhau ein harchwiliad dan amgylchiadau mor anodd.
- 10 Nid yw'n syndod bod y pandemig wedi effeithio ar ein harchwiliad ac rydym yn crynhoi'r prif effeithiau yn **Arddangosyn 1**. Ac eithrio lle'r ydym yn gwneud

argymhellion yn benodol, darperir y manylder yn **Arddangosyn 1** er gwybodaeth yn unig i'ch helpu chi i ddeall effaith pandemig COVID-19 ar broses archwilio eleni.

Arddangosyn 1 – effaith COVID-19 ar archwiliad eleni

Amserlen	 darparodd swyddogion gyfrifon drafft o ansawdd da ar ein cyfer ar 1 Mehefin 2021 fel a fwriadwyd. Mae hyn yn gyson â'r llynedd ac yn cydymffurfio â therfynau amser rheoleiddiol. rydym yn disgwyl i'ch adroddiad archwilio gael ei lofnodi erbyn 7 Hydref 2021.
Llofnodion electronig	O ystyried y gofynion o ran cadw pellter cymdeithasol ar hyn o bryd, bydd yn anodd llofnodi ac ardystio'r cyfrifon ar ffurf copi caled eto eleni. Byddwn yn derbyn llofnodion electronig gennych.
Tystiolaeth archwilio	 Oherwydd mesurau cadw pellter cymdeithasol, mae staff Archwilio Cymru yn dal i weithio o bell, gartref ar hyn o bryd. O ganlyniad, fe wnaethom ddal i fabwysiadu ffyrdd newydd o weithio: fe ddefnyddiom ni ein mynediad o bell i alluogi'r tîm archwilio i gael mynediad at y systemau ariannol perthnasol; fe gynhaliom ni gyfarfodydd wythnosol trwy Microsoft Teams gyda'r Pennaeth Cyllid (Cyfarwyddwr Cynorthwyol) a'i dîm trwy gydol yr archwiliad i drafod cynnydd a materion a oedd yn dod i'r amlwg; ac fe gynhaliom ni sesiynau dal-i-fyny rheolaidd gyda Phrif Swyddog Cyllid Swyddfa'r Comisiynydd Heddlu a Throseddu a Chyfarwyddwr Cyllid ac Adnoddau'r Prif Gwnstabl.

11 Byddwn yn adolygu'r hyn yr ydym wedi'i ddysgu ar gyfer ein proses archwilio o bandemig COVID-19 a pha un a oes arferion arloesol y gallem eu mabwysiadu yn y dyfodol i wella'r broses honno.

Adroddiad archwilio arfaethedig

- Rydym yn bwriadu cyhoeddi barn archwilio ddiamod ar gyfrifon eleni unwaith y byddwch wedi rhoi Llythyrau Sylwadau inni yn seiliedig ar y rhai a nodir yn Atodiad
 1 ac Atodiad 2.
- 13 Rydym yn cyhoeddi barn archwilio 'amodol' lle mae gennym bryderon perthnasol ynghylch rhai agweddau ar eich cyfrifon; fel arall rydym yn cyhoeddi barn ddiamod.

- 14 Mae'r Llythyrau Sylwadau'n cynnwys rhai cadarnhadau y mae'n ofynnol i ni eu cael gennych chi dan safonau archwilio ynghyd â chadarnhad o wybodaeth benodol arall yr ydych wedi'i darparu ar ein cyfer yn ystod ein harchwiliad.
- 15 Caiff ein hadroddiadau archwilio arfaethedig eu nodi yn Atodiad 3 ac Atodiad 4.

Materion arwyddocaol sy'n codi o'r archwiliad

Camddatganiadau nas cywirwyd

- 16 Rydym yn nodi isod y camddatganiad a ganfuwyd gennym yn y cyfrifon, sydd wedi cael ei drafod gyda'r rheolwyr ond sy'n dal heb ei gywiro. Gofynnwn fod hwn yn cael ei gywiro. Os byddwch yn penderfynu peidio â chywiro'r camddatganiad hwn, gofynnwn i chi roi gwybod inni'n ysgrifenedig beth yw'r rhesymau dros beidio â'i gywiro:
 - Nodyn 18 Darpariaethau mae 'darpariaethau eraill' wedi'i orddatgan o £200,000.
- 17 Rydym wedi adnabod dwy ddarpariaeth, darpariaeth 'terfysgoedd' o £100,000 a darpariaeth 'rheoli risg' o £100,000 nad ydynt wedi newid am nifer o flynyddoedd.
- 18 Mae ein archwiliad wedi pennu nad yw amodau'r darpariaethau'n cydymffurfio â'r rhai sy'n ofynnol yn ôl Safon Gyfrifyddu Ryngwladol (IAS) 37 'Darpariaethau, Rhwymedigaethau Digwyddiadol ac Asedau Digwyddiadol', ac felly na ddylid eu cynnwys fel darpariaethau yn y cyfrifon.
- 19 Mae trafodaethau gyda'r tîm cyllid wedi cadarnhau y bydd y rhain yn cael eu hadolygu yn ystod 2021-22 ac y bydd diwygiadau'n cael eu gwneud lle y bo'n berthnasol.

Camddatganiadau a gywirwyd

20 Roedd camddatganiadau yn y cyfrifon yn wreiddiol sydd bellach wedi cael eu cywiro gan y rheolwyr.

Materion Arwyddocaol eraill sy'n codi o'r archwiliad

21 Yn ystod yr archwiliad, rydym yn ystyried nifer o faterion sy'n ymwneud â'r cyfrifon ac yn rhoi gwybod ichi am unrhyw faterion arwyddocaol sy'n codi. Nid oedd unrhyw faterion sy'n codi yn y meysydd hyn eleni.

Argymhellion

22 Rydym yn bwriadu cynnal ymarfer dysgu ar ôl prosiect gyda staff allweddol i nodi cynllun gweithredu i wella'r broses o gynhyrchu ac archwilio'r cyfrifon ymhellach ar gyfer blynyddoedd yn y dyfodol. Bydd yr allbwn o'r sesiwn hon yn cael ei gyflwyno mewn adroddiad i'r Pwyllgor Archwilio yn ddiweddarach eleni.

Llythyr Sylwadau Terfynol – Y Comisiynydd Heddlu a Throseddu

Comisiynydd Heddlu a Throseddu Gogledd Cymru Glan Y Don, Ffordd Abergele, Bae Colwyn, LL29 8AW

Archwilydd Cyffredinol Cymru Archwilio Cymru 24 Heol y Gadeirlan Caerdydd CF11 9LJ

6 Hydref 2021

Sylwadau ynghylch datganiadau ariannol 2021

Darperir y llythyr hwn mewn cysylltiad â'ch archwiliad o ddatganiadau ariannol Comisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2021 at ddiben mynegi barn ynglŷn â'u cywirdeb a thegwch a'u paratoi'n briodol.

Yr ydym ni'n cadarnhau hyd eithaf ein gwybodaeth a'n cred, ar ôl gwneud yr ymholiadau a oedd yn ddigonol yn ein tyb ni, y gallwn gyflwyno'r sylwadau canlynol i chi.

Sylwadau'r rheolwyr

Cyfrifoldebau

Rydym wedi cyflawni ein cyfrifoldebau am:

- Baratoi'r datganiadau ariannol yn unol â gofynion deddfwriaethol a'r Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-21; yn arbennig mae'r datganiadau ariannol yn rhoi darlun cywir a theg yn unol â'r rhain.
- Dylunio, gweithredu, cynnal ac adolygu rheolaeth fewnol i atal a chanfod twyll a gwallau.

Gwybodaeth a ddarparwyd

Rydym wedi darparu'r canlynol ar eich cyfer:

- Mynediad llawn at:
 - yr holl wybodaeth yr ydym yn ymwybodol ohoni sy'n berthnasol i baratoi'r datganiadau ariannol megis llyfrau cyfrifon a dogfennaeth ategol, cofnodion cyfarfodydd a materion eraill;
 - gwybodaeth ychwanegol yr ydych chi wedi gofyn amdani gennym ni at ddiben yr archwiliad; a
 - mynediad digyfyngiad at aelodau o staff y penderfynoch chi fod angen cael tystiolaeth archwilio ganddynt.
- Canlyniadau ein hasesiad ni o'r risg y gallai'r datganiadau ariannol fod wedi'u camddatgan yn berthnasol o ganlyniad i dwyll.
- Ein gwybodaeth ni am dwyll gwirioneddol neu dwyll tybiedig yr ydym ni'n ymwybodol ohono ac sy'n effeithio ar Gomisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru ac sy'n cynnwys:
 - rheolwyr;
 - cyflogeion sydd â rolau arwyddocaol mewn rheolaeth fewnol; neu
 - eraill lle gallai'r twyll gael effaith berthnasol ar y datganiadau ariannol.
- Ein gwybodaeth ni am unrhyw honiadau o dwyll gwirioneddol, neu dwyll tybiedig, sy'n effeithio ar y datganiadau ariannol a gyflëwyd gan gyflogeion, cyn-gyflogeion, rheoleiddwyr neu eraill.
- Ein gwybodaeth ni am bob achos hysbys o ddiffyg cydymffurfio gwirioneddol neu ddiffyg cydymffurfio tybiedig â deddfau a rheoliadau y dylid ystyried eu heffeithiau wrth baratoi'r datganiadau ariannol.
- Gwybodaeth am bwy yw'r holl bartïon cysylltiedig a'r holl berthnasoedd â phartïon cysylltiedig a thrafodion partïon cysylltiedig yr ydym yn ymwybodol ohonynt.

Sylwadau am y datganiadau ariannol

Mae'r holl drafodion, asedau a rhwymedigaethau wedi cael eu cofnodi yn y cofnodion cyfrifyddu ac fe'u hadlewyrchir yn y datganiadau ariannol.

Mae'r dulliau, y data a'r tybiaethau arwyddocaol a ddefnyddiwyd wrth lunio amcangyfrifon cyfrifyddu, a'u datgeliadau cysylltiedig, yn briodol i gyflawni cydnabyddiaeth, mesuriad neu ddatgeliad sy'n rhesymol yng nghyd-destun y fframwaith adrodd ariannol perthnasol.

Rhoddwyd cyfrif priodol am berthnasoedd a thrafodion partïon cysylltiedig ac maent wedi cael eu datgelu'n briodol.

Lle cafwyd digwyddiadau ar ôl y dyddiad adrodd yr oedd yn ofynnol gwneud addasiad ar eu cyfer neu eu datgelu, mae'r holl addasiadau a datgeliadau hyn wedi cael eu gwneud.

Mae pob ymgyfreithiad a hawliad gwirioneddol neu bosibl hysbys y dylid ystyried eu heffeithiau wrth baratoi'r datganiadau ariannol wedi cael eu datgelu wrth yr archwilydd a

rhoddwyd cyfrif amdanynt ac maent wedi cael eu datgelu yn unol â'r fframwaith adrodd ariannol perthnasol.

Nid oes unrhyw gamddatganiadau perthnasol, gan gynnwys hepgoriadau, yn y datganiadau ariannol. Mae effeithiau camddatganiadau nas cywirwyd a ganfuwyd yn ystod yr archwiliad yn amherthnasol, yn unigol ac ar y cyd, i'r datganiadau ariannol yn eu cyfanrwydd.

Sylwadau gan Gomisiynydd Heddlu a Throseddu Gogledd Cymru

Rydym yn cydnabod bod y sylwadau a wnaed gan y rheolwyr, uchod, wedi cael eu trafod gyda ni.

Rydym yn cydnabod ein cyfrifoldeb am baratoi datganiadau ariannol cywir a theg yn unol â'r fframwaith adrodd ariannol perthnasol. Cymeradwywyd y datganiadau ariannol gan y Comisiynydd Heddlu a Throseddu ar 6 Hydref 2021. Rydym yn cadarnhau ein bod wedi cymryd pob cam y dylem fod wedi'i gymryd er mwyn ein gwneud ein hunain yn ymwybodol o unrhyw wybodaeth archwilio berthnasol ac er mwyn cadarnhau ei bod wedi cael ei chyfleu i chi. Rydym yn cadarnhau, hyd y gwyddom ni, nad oes unrhyw wybodaeth archwilio berthnasol nad ydych chi'n ymwybodol ohoni.

Llofnodwyd gan:	Llofnodwyd gan:
K Jackson	Andy Dunbobbin
Prif Swyddog Cyllid Comisiynydd Heddlu a Throseddu Gogledd Cymru	Comisiynydd Heddlu a Throseddu Gogledd Cymru

6 Hydref 2021

6 Hydref 2021

Llythyr Sylwadau Terfynol – Prif Gwnstabl

Prif Gwnstabl Gogledd Cymru Glan Y Don, Ffordd Abergele, Bae Colwyn, LL29 8AW

Archwilydd Cyffredinol Cymru Archwilio Cymru 24 Heol y Gadeirlan Caerdydd CF11 9LJ

6 Hydref 2021

Sylwadau ynghylch datganiadau ariannol 2021

Darperir y llythyr hwn mewn cysylltiad â'ch archwiliad o ddatganiadau ariannol Prif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2021 at ddiben mynegi barn ynglŷn â'u cywirdeb a thegwch a'u paratoi'n briodol.

Yr ydym ni'n cadarnhau hyd eithaf ein gwybodaeth a'n cred, ar ôl gwneud yr ymholiadau a oedd yn ddigonol yn ein tyb ni, y gallwn gyflwyno'r sylwadau canlynol i chi.

Sylwadau'r rheolwyr

Cyfrifoldebau

Rydym wedi cyflawni ein cyfrifoldebau am:

- Baratoi'r datganiadau ariannol yn unol â gofynion deddfwriaethol a'r Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-21; yn arbennig mae'r datganiadau ariannol yn rhoi darlun cywir a theg yn unol â'r rhain.
- Dylunio, gweithredu, cynnal ac adolygu rheolaeth fewnol i atal a chanfod twyll a gwallau.

Gwybodaeth a ddarparwyd

Rydym wedi darparu'r canlynol ar eich cyfer:

Mynediad llawn at:

- yr holl wybodaeth yr ydym yn ymwybodol ohoni sy'n berthnasol i baratoi'r datganiadau ariannol megis llyfrau cyfrifon a dogfennaeth ategol, cofnodion cyfarfodydd a materion eraill;
- gwybodaeth ychwanegol yr ydych chi wedi gofyn amdani gennym ni at ddiben yr archwiliad; a
- mynediad digyfyngiad at aelodau o staff y penderfynoch chi fod angen cael tystiolaeth archwilio ganddynt.
- Canlyniadau ein hasesiad ni o'r risg y gallai'r datganiadau ariannol fod wedi'u camddatgan yn berthnasol o ganlyniad i dwyll.
- Ein gwybodaeth ni am dwyll gwirioneddol neu dwyll tybiedig yr ydym ni'n ymwybodol ohono ac sy'n effeithio ar Brif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru ac sy'n cynnwys:
 - rheolwyr;
 - cyflogeion sydd â rolau arwyddocaol mewn rheolaeth fewnol; neu
 - eraill lle gallai'r twyll gael effaith berthnasol ar y datganiadau ariannol.
- Ein gwybodaeth ni am unrhyw honiadau o dwyll gwirioneddol, neu dwyll tybiedig, sy'n effeithio ar y datganiadau ariannol a gyflëwyd gan gyflogeion, cyn-gyflogeion, rheoleiddwyr neu eraill.
- Ein gwybodaeth ni am bob achos hysbys o ddiffyg cydymffurfio gwirioneddol neu ddiffyg cydymffurfio tybiedig â deddfau a rheoliadau y dylid ystyried eu heffeithiau wrth baratoi'r datganiadau ariannol.
- Gwybodaeth am bwy yw'r holl bartïon cysylltiedig a'r holl berthnasoedd â phartïon cysylltiedig a thrafodion partïon cysylltiedig yr ydym yn ymwybodol ohonynt.

Sylwadau am y datganiadau ariannol

Mae'r holl drafodion, asedau a rhwymedigaethau wedi cael eu cofnodi yn y cofnodion cyfrifyddu ac fe'u hadlewyrchir yn y datganiadau ariannol.

Mae'r dulliau, y data a'r tybiaethau arwyddocaol a ddefnyddiwyd wrth lunio amcangyfrifon cyfrifyddu, a'u datgeliadau cysylltiedig, yn briodol i gyflawni cydnabyddiaeth, mesuriad neu ddatgeliad sy'n rhesymol yng nghyd-destun y fframwaith adrodd ariannol perthnasol. Rhoddwyd cyfrif priodol am berthnasoedd a thrafodion partïon cysylltiedig ac maent wedi cael eu datgelu'n briodol.

Lle cafwyd digwyddiadau ar ôl y dyddiad adrodd yr oedd yn ofynnol gwneud addasiad ar eu cyfer neu eu datgelu, mae'r holl addasiadau a datgeliadau hyn wedi cael eu gwneud.

Mae pob ymgyfreithiad a hawliad gwirioneddol neu bosibl hysbys y dylid ystyried eu heffeithiau wrth baratoi'r datganiadau ariannol wedi cael eu datgelu wrth yr archwilydd a rhoddwyd cyfrif amdanynt ac maent wedi cael eu datgelu yn unol â'r fframwaith adrodd ariannol perthnasol.

Nid oes unrhyw gamddatganiadau perthnasol, gan gynnwys hepgoriadau, yn y datganiadau ariannol. Mae effeithiau camddatganiadau nas cywirwyd a ganfuwyd yn ystod yr archwiliad yn amherthnasol, yn unigol ac ar y cyd, i'r datganiadau ariannol yn eu cyfanrwydd.

Sylwadau gan Brif Gwnstabl Heddlu Gogledd Cymru

Rydym yn cydnabod bod y sylwadau a wnaed gan y rheolwyr, uchod, wedi cael eu trafod gyda ni.

Rydym yn cydnabod ein cyfrifoldeb am baratoi datganiadau ariannol cywir a theg yn unol â'r fframwaith adrodd ariannol perthnasol. Cymeradwywyd y datganiadau ariannol gan Brif Gwnstabl Heddlu Gogledd Cymru ar 6 Hydref 2021.

Rydym yn cadarnhau ein bod wedi cymryd pob cam y dylem fod wedi'i gymryd er mwyn ein wneud ein hunain yn ymwybodol o unrhyw wybodaeth archwilio berthnasol ac er mwyn cadarnhau ei bod wedi cael ei chyfleu i chi. Rydym yn cadarnhau, hyd y gwyddom, nad oes unrhyw wybodaeth archwilio berthnasol nad ydych chi'n ymwybodol ohoni.

Llofnodwyd gan:	Llofnodwyd gan:
S Phillips	Carl Foulkes
Cyfarwyddwr Cyllid ac Adnoddau'r Prif Gwnstabl, Heddlu Gogledd Cymru	Prif Gwnstabl, Heddlu Gogledd Cymru

6 Hydref 2021

6 Hydref 2021

Adroddiad archwilydd annibynnol Archwilydd Cyffredinol Cymru i Gomisiynydd Heddlu a Throseddu Gogledd Cymru

Barn ar y datganiadau ariannol

Yr wyf wedi archwilio datganiadau ariannol:

- Comisiynydd Heddlu a Throseddu Gogledd Cymru;
- Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru; a
- Chronfa Bensiwn Heddlu Gogledd Cymru.

ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2021 dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004.

Mae datganiadau ariannol Comisiynydd Heddlu a Throseddu Gogledd Cymru yn cynnwys y Datganiad o Incwm a Gwariant Cynhwysfawr, y Fantolen, y Datganiad o Symudiadau mewn Cronfeydd wrth Gefn, y Datganiad o Lifoedd Arian Parod, a'r nodiadau cysylltiedig, gan gynnwys crynodeb o'r polisïau cyfrifyddu arwyddocaol.

Mae datganiadau ariannol Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru yn cynnwys Datganiad o Incwm a Gwariant Cynhwysfawr y Grŵp, Mantolen y Grŵp, Datganiad o Symudiadau mewn Cronfeydd wrth Gefn y Grŵp, Datganiad o Lifoedd Arian Parod y Grŵp a'r nodiadau cysylltiedig, gan gynnwys crynodeb o'r polisïau cyfrifyddu arwyddocaol.

Mae datganiadau ariannol Cronfa Bensiwn Heddlu Gogledd Cymru'n cynnwys Cyfrif y Gronfa a'r Datganiad Asedau Net.

Y fframwaith adrodd ariannol a gymhwyswyd wrth eu paratoi yw'r gyfraith berthnasol a'r safonau cyfrifyddu rhyngwladol fel y'u dehonglwyd ac y'u haddaswyd gan y Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-2021.

Yn fy marn i mae'r datganiadau ariannol:

- yn rhoi darlun cywir a theg o sefyllfa ariannol Comisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru ar 31 Mawrth 2021 ac o'u hincwm a'u gwariant ar gyfer y flwyddyn a ddaeth i ben ar y dyddiad hwnnw; ac
- wedi'u paratoi'n briodol yn unol â gofynion deddfwriaethol a'r safonau cyfrifyddu rhyngwladol fel y'u dehonglwyd ac y'u haddaswyd gan y Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-2021.

Sail y farn

Cynhaliais fy archwiliad yn unol â'r gyfraith berthnasol a'r Safonau Rhyngwladol ar Archwilio yn y DU (ISA (UK)) a Nodyn Ymarfer 10 'Archwilio Datganiadau Ariannol Endidau'r Sector Cyhoeddus yn y Deyrnas Unedig'. Caiff fy nghyfrifoldebau dan y safonau hynny eu disgrifio ymhellach yn yr adran o'm hadroddiad sy'n nodi cyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol. Rwy'n annibynnol ar Gomisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru yn unol â'r gofynion moesegol sy'n berthnasol i'm harchwiliad o'r datganiadau ariannol yn y DU, gan gynnwys Safon Foesegol y Cyngor Adrodd Ariannol, ac rwyf wedi cyflawni fy nghyfrifoldebau moesegol eraill yn unol â'r gofynion hyn. Credaf fod y dystiolaeth archwilio yr wyf wedi'i chael yn ddigonol ac yn briodol i ddarparu sail i'm barn.

Casgliadau sy'n ymwneud â busnes gweithredol

Wrth archwilio'r datganiadau ariannol, rwyf wedi dod i'r casgliad bod defnyddio'r sail gyfrifyddu busnes gweithredol wrth baratoi'r datganiadau ariannol yn briodol.

Yn seiliedig ar y gwaith yr wyf wedi'i gyflawni, nid wyf wedi adnabod unrhyw ansicrwydd perthnasol mewn perthynas â digwyddiadau neu amodau a all, yn unigol neu ar y cyd, fwrw amheuaeth sylweddol ar allu Comisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru i barhau i fabwysiadu'r sail gyfrifyddu busnes gweithredol am gyfnod o ddeuddeng mis o leiaf o'r dyddiad pan awdurdodir cyhoeddi'r datganiadau ariannol.

Caiff fy nghyfrifoldebau i a chyfrifoldebau'r swyddog cyllid cyfrifol mewn perthynas â busnes gweithredol eu disgrifio yn yr adrannau perthnasol o'r adroddiad hwn.

Gwybodaeth arall

Mae'r wybodaeth arall yn cynnwys yr wybodaeth sydd wedi'i chynnwys yn yr adroddiad blynyddol ac eithrio'r datganiadau ariannol a'm hadroddiad i fel archwilydd arnynt. Y Swyddog Cyllid Cyfrifol sy'n gyfrifol am yr wybodaeth arall sydd wedi'i chynnwys yn yr adroddiad blynyddol. Nid yw fy marn am y datganiadau ariannol yn cwmpasu'r wybodaeth arall a, heblaw i'r graddau a nodir yn benodol fel arall yn fy adroddiad, nid wyf yn mynegi unrhyw fath o gasgliad sicrwydd ar yr wybodaeth arall honno. Fy nghyfrifoldeb i yw darllen yr wybodaeth arall ac, wrth wneud hynny, ystyried a yw'r wybodaeth arall yn berthnasol anghyson â'r datganiadau ariannol neu wybodaeth a gafwyd wrth gyflawni'r archwiliad, neu'n ymddangos fel arall fel pe bai wedi cael ei chamddatgan yn berthnasol. Os wyf yn canfod anghysonderau perthnasol o'r fath neu wybodaeth berthnasol o'r fath sy'n ymddangos fel pe bai wedi cael ei chamddatgan, mae'n ofynnol i mi benderfynu a yw hyn yn achosi camddatganiad perthnasol yn y datganiadau ariannol eu hunain. Yn seiliedig ar y gwaith yr wyf wedi'i wneud, os wyf yn dod i'r casgliad bod yr wybodaeth arall hon wedi'i chamddatgan yn berthnasol, mae'n ofynnol i mi nodi'r ffaith honno.

Nid oes unrhyw beth gennyf i'w nodi yn hyn o beth.

Adroddiad ar ofynion eraill

Barn am faterion eraill

Yn fy marn i, yn seiliedig ar y gwaith a wnaed yn ystod fy archwiliad:

- mae'r wybodaeth a geir yn yr Adroddiad Naratif ar gyfer y flwyddyn ariannol y paratowyd y datganiadau ariannol ar ei chyfer yn gyson â'r datganiadau ariannol ac mae'r Adroddiad Naratif wedi'i baratoi yn unol â'r Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-21; ac
- mae'r wybodaeth a roddir yn y Datganiad Llywodraethu Blynyddol ar gyfer y flwyddyn ariannol y paratowyd y datganiadau ariannol ar ei chyfer yn gyson â'r datganiadau

ariannol ac mae'r Datganiad Llywodraethu Blynyddol wedi'i baratoi yn unol â'r canllawiau.

Materion y cyflwynaf adroddiad arnynt drwy eithriad

Yng ngoleuni'r wybodaeth a'r ddealltwriaeth am Gomisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru a'u hamgylcheddau a gafwyd yn ystod yr archwiliad, nid wyf wedi nodi unrhyw gamddatganiadau perthnasol yn yr Adroddiad Naratif na'r Datganiad Llywodraethu Blynyddol ar y cyd.

Nid oes gennyf unrhyw beth i'w nodi o ran y materion canlynol, y cyflwynaf adroddiad i chi arnynt os bydd yr amgylchiadau canlynol yn berthnasol, yn fy marn i:

- ni chadwyd cofnodion cyfrifyddu digonol, neu ni chafwyd ffurflenni sy'n ddigonol ar gyfer fy archwiliad o ganghennau nad ymwelodd fy nhîm â hwy;
- nid yw'r datganiadau ariannol yn gyson â'r cofnodion a'r ffurflenni cyfrifyddu; neu
- nid wyf wedi cael yr holl wybodaeth ac esboniadau y mae eu hangen arnaf ar gyfer fy archwiliad.

Cyfrifoldebau

Cyfrifoldebau'r swyddog cyllid cyfrifol am y datganiadau ariannol

Fel yr esbonnir yn fanylach yn y Datganiad o Gyfrifoldebau am y Datganiad Cyfrifon, y swyddog cyllid cyfrifol sy'n gyfrifol am baratoi'r datganiad cyfrifon, gan gynnwys datganiadau ariannol Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a datganiadau ariannol Cronfa Bensiwn Heddlu Gogledd Cymru, sy'n rhoi darlun cywir a theg, ac am ba bynnag reolaeth fewnol sy'n angenrheidiol ym marn y swyddog cyllid cyfrifol i allu paratoi datganiadau cyfrifon heb unrhyw gamddatganiad perthnasol, boed hynny trwy dwyll neu wall.

Wrth baratoi'r datganiad cyfrifon, mae'r swyddog cyllid cyfrifol yn gyfrifol am asesu gallu Comisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru i barhau fel busnes gweithredol, gan ddatgelu fel y bo'n gymwys, faterion sy'n ymwneud â'r busnes gweithredol a defnyddio sail gyfrifyddu busnes gweithredol oni thybir nad yw'n briodol.

Cyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol

Fy amcanion yw cael sicrwydd rhesymol ynghylch p'un a yw'r datganiadau ariannol yn eu cyfanrwydd yn rhai heb unrhyw gamddatganiad perthnasol, boed hynny trwy dwyll neu wall, a chyhoeddi adroddiad archwilydd sy'n cynnwys fy marn. Mae sicrwydd rhesymol yn lefel uchel o sicrwydd, ond nid yw'n gwarantu y bydd archwiliad a gynhelir yn unol â'r Safonau Rhyngwladol ar Archwilio yn y DU wastad yn canfod camddatganiad perthnasol pan fo'n bodoli. Gall camddatganiadau ddeillio o dwyll neu wall ac fe'u hystyrir yn berthnasol os, yn unigol neu gyda'i gilydd, gellid yn rhesymol ddisgwyl iddynt ddylanwadu ar benderfyniadau economaidd defnyddwyr a wneir ar sail y datganiadau ariannol hyn.

Mae afreolaidd-dra, gan gynnwys twyll, yn golygu achosion o ddiffyg cydymffurfio â deddfau a rheoliadau. Rwy'n dylunio gweithdrefnau yn unol â'm cyfrifoldebau, a nodir uchod, i ganfod camddatganiadau perthnasol mewn perthynas ag afreolaidd-dra, gan gynnwys twyll.

Roedd fy ngweithdrefnau'n cynnwys y canlynol:

- holi'r rheolwyr a'r rhai sy'n gyfrifol am lywodraethu, gan gynnwys cael ac adolygu dogfennaeth ategol mewn perthynas â pholisïau a gweithdrefnau Comisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru sy'n ymwneud ag:
 - adnabod, gwerthuso a chydymffurfio â deddfau a rheoliadau a pha un a oeddent yn ymwybodol o unrhyw achosion o ddiffyg cydymffurfio;
 - canfod ac ymateb i'r risgiau o dwyll ac a oes ganddynt wybodaeth am unrhyw dwyll gwirioneddol, tybiedig neu honedig; a hefyd
 - y rheolaethau mewnol a sefydlwyd i liniaru risgiau sy'n gysylltiedig â thwyll neu ddiffyg cydymffurfio â deddfau a rheoliadau.
- ystyried fel tîm archwilio sut a ble allai twyll ddigwydd yn y datganiadau ariannol ac unrhyw ddangosyddion posibl o dwyll. Fel rhan o'r drafodaeth hon, canfûm botensial ar gyfer twyll yn y maes canlynol: gwrthwneud gan reolwyr; a hefyd
- cael dealltwriaeth am fframwaith awdurdod Comisiynydd Heddlu a Throseddu Gogledd Cymru yn ogystal â fframweithiau cyfreithiol a rheoleiddiol eraill y mae Comisiynydd Heddlu a Throseddu Gogledd Cymru'n gweithredu oddi mewn iddynt, gan ganolbwyntio ar y deddfau a'r rheoliadau hynny a gafodd effaith uniongyrchol ar y datganiadau ariannol neu a gafodd effaith sylfaenol ar weithrediadau Comisiynydd Heddlu a Throseddu Gogledd Cymru.

Yn ychwanegol at yr uchod, roedd fy ngweithdrefnau i ymateb i risgiau a ganfuwyd yn cynnwys y canlynol:

- adolygu'r datgeliadau yn y datganiadau ariannol a phrofi yn erbyn dogfennaeth ategol i asesu cydymffurfiaeth â deddfau a rheoliadau perthnasol a drafodir uchod;
- holi'r rheolwyr a'r Cydbwyllgor Archwilio am ymgyfreithiad a hawliadau gwirioneddol a phosibl;
- darllen cofnodion cyfarfodydd y rhai sy'n gyfrifol am lywodraethu; ac
- wrth fynd i'r afael â'r risg o dwyll trwy wrthwneud rheolaethau gan reolwyr, profi
 priodoldeb cofnodion dyddlyfr ac addasiadau eraill; asesu a yw'r dyfarniadau a
 wnaed wrth lunio amcangyfrifon cyfrifyddu'n rhoi arwydd o wyrduedd posibl; a
 gwerthuso'r rhesymeg fusnes dros unrhyw drafodion arwyddocaol sy'n anarferol neu
 y tu allan i gwrs arferol busnes.

Fe wnes i hefyd gyfleu deddfau a rheoliadau dynodedig perthnasol a risgiau posibl o dwyll i holl aelodau'r tîm archwilio ac aros yn effro i unrhyw arwyddion o dwyll neu ddiffyg cydymffurfio â deddfau a rheoliadau trwy gydol yr archwiliad.

Effeithir ar y graddau y mae fy ngweithdrefnau'n gallu canfod afreolaidd-dra, gan gynnwys twyll, gan yr anhawster cynhenid o ran canfod afreolaidd-dra, effeithiolrwydd

rheolaethau Comisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru, a natur, amseriad a hyd a lled y gweithdrefnau archwilio a gyflawnwyd.

Ceir disgrifiad pellach o gyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol ar wefan y Cyngor Adrodd Ariannol yn <u>www.frc.org.uk/auditorsresponsibilities</u>. Mae'r disgrifiad hwn yn rhan o'm hadroddiad archwilio.

Tystysgrif cwblhau'r archwiliad

Ardystiaf fy mod wedi cwblhau'r archwiliad o gyfrifon Comisiynydd Heddlu a Throseddu Gogledd Cymru, Grŵp Comisiynydd Heddlu a Throseddu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru yn unol â gofynion Deddf Archwilio Cyhoeddus (Cymru) 2004 a Chod Ymarfer Archwilio Archwilydd Cyffredinol Cymru.

Adrian Crompton Archwilydd Cyffredinol Cymru 24 Heol y Gadeirlan Caerdydd CF11 9LJ

Adroddiad archwilydd annibynnol Archwilydd Cyffredinol Cymru i Brif Gwnstabl Heddlu Gogledd Cymru

Barn ar y datganiadau ariannol

Yr wyf wedi archwilio datganiadau ariannol:

- Prif Gwnstabl Heddlu Gogledd Cymru; a
- Chronfa Bensiwn Heddlu Gogledd Cymru

ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2021 dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004.

Mae datganiadau ariannol Prif Gwnstabl Heddlu Gogledd Cymru yn cynnwys y Datganiad o Incwm a Gwariant Cynhwysfawr, y Fantolen a'r nodiadau cysylltiedig, gan gynnwys crynodeb o'r polisïau cyfrifyddu arwyddocaol.

Mae datganiadau ariannol Cronfa Bensiwn Heddlu Gogledd Cymru'n cynnwys Cyfrif y Gronfa a'r Datganiad Asedau Net.

Y fframwaith adrodd ariannol a gymhwyswyd wrth eu paratoi yw'r gyfraith berthnasol a'r safonau cyfrifyddu rhyngwladol fel y'u dehonglwyd ac y'u haddaswyd gan y Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-2021.

Yn fy marn i mae'r datganiadau ariannol:

- yn rhoi darlun cywir a theg o sefyllfa ariannol Prif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru ar 31 Mawrth 2021 ac o'u hincwm a'u gwariant ar gyfer y flwyddyn a ddaeth i ben ar y dyddiad hwnnw; ac
- wedi'u paratoi'n briodol yn unol â gofynion deddfwriaethol a'r safonau cyfrifyddu rhyngwladol fel y'u dehonglwyd ac y'u haddaswyd gan y Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-2021.

Sail y Farn

Cynhaliais fy archwiliad yn unol â'r gyfraith berthnasol a'r Safonau Rhyngwladol ar Archwilio yn y DU (ISA (UK)) a Nodyn Ymarfer 10 'Archwilio Datganiadau Ariannol Endidau'r Sector Cyhoeddus yn y Deyrnas Unedig'. Caiff fy nghyfrifoldebau dan y safonau hynny eu disgrifio ymhellach yn yr adran o'm hadroddiad sy'n nodi cyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol. Rwy'n annibynnol ar Brif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru yn unol â'r gofynion moesegol sy'n berthnasol i'm harchwiliad o'r datganiadau ariannol yn y DU, gan gynnwys Safon Foesegol y Cyngor Adrodd Ariannol, ac rwyf wedi cyflawni fy nghyfrifoldebau moesegol eraill yn unol â'r gofynion hyn. Credaf fod y dystiolaeth archwilio yr wyf wedi'i chael yn ddigonol ac yn briodol i ddarparu sail i'm barn.

Casgliadau sy'n ymwneud â busnes gweithredol

Wrth archwilio'r datganiadau ariannol, rwyf wedi dod i'r casgliad bod defnyddio'r sail gyfrifyddu busnes gweithredol wrth baratoi'r datganiadau ariannol yn briodol.

Yn seiliedig ar y gwaith yr wyf wedi'i gyflawni, nid wyf wedi adnabod unrhyw ansicrwydd perthnasol mewn perthynas â digwyddiadau neu amodau a all, yn unigol neu ar y cyd, fwrw amheuaeth sylweddol ar allu Prif Gwnstabl Heddlu Gogledd Cymru na Chronfa Bensiwn Heddlu Gogledd Cymru i barhau i fabwysiadu'r sail gyfrifyddu busnes gweithredol am gyfnod o ddeuddeng mis o leiaf o'r dyddiad pan awdurdodir cyhoeddi'r datganiadau ariannol.

Caiff fy nghyfrifoldebau i a chyfrifoldebau'r swyddog cyllid cyfrifol mewn perthynas â busnes gweithredol eu disgrifio yn yr adrannau perthnasol o'r adroddiad hwn.

Gwybodaeth Arall

Mae'r wybodaeth arall yn cynnwys yr wybodaeth sydd wedi'i chynnwys yn yr adroddiad blynyddol ac eithrio'r datganiadau ariannol a'm hadroddiad i fel archwilydd arnynt. Y Swyddog Cyllid Cyfrifol sy'n gyfrifol am yr wybodaeth arall sydd wedi'i chynnwys yn yr adroddiad blynyddol. Nid yw fy marn am y datganiadau ariannol yn cwmpasu'r wybodaeth arall a, heblaw i'r graddau a nodir yn benodol fel arall yn fy adroddiad, nid wyf yn mynegi unrhyw fath o gasgliad sicrwydd ar yr wybodaeth arall honno. Fy nghyfrifoldeb i yw darllen yr wybodaeth arall ac, wrth wneud hynny, ystyried a yw'r wybodaeth arall yn berthnasol anghyson â'r datganiadau ariannol neu wybodaeth a gafwyd wrth gyflawni'r archwiliad, neu'n ymddangos fel arall fel pe bai wedi cael ei chamddatgan yn berthnasol. Os wyf yn canfod anghysonderau perthnasol o'r fath neu wybodaeth berthnasol o'r fath sy'n ymddangos fel pe bai wedi cael ei chamddatgan, mae'n ofynnol i mi benderfynu a yw hyn yn achosi camddatganiad perthnasol yn y datganiadau ariannol eu hunain. Yn seiliedig ar y gwaith yr wyf wedi'i wneud, os wyf yn dod i'r casgliad bod yr wybodaeth arall hon wedi'i chamddatgan yn berthnasol, mae'n ofynnol i mi nodi'r ffaith honno.

Nid oes unrhyw beth gennyf i'w nodi yn hyn o beth.

Adroddiad ar ofynion eraill

Barn am faterion eraill

Yn fy marn i, yn seiliedig ar y gwaith a wnaed yn ystod fy archwiliad:

- mae'r wybodaeth a geir yn yr Adroddiad Naratif ar gyfer y flwyddyn ariannol y paratowyd y datganiadau ariannol ar ei chyfer yn gyson â'r datganiadau ariannol ac mae'r Adroddiad Naratif wedi'i baratoi yn unol â'r Cod Ymarfer ar gyfer Cadw Cyfrifon Awdurdodau Lleol yn y Deyrnas Unedig 2020-21; ac
- Mae'r wybodaeth a roddir yn y Datganiad Llywodraethu Blynyddol ar gyfer y flwyddyn ariannol y paratowyd y datganiadau ariannol ar ei chyfer yn gyson â'r datganiadau ariannol ac mae'r Datganiad Llywodraethu Blynyddol wedi'i baratoi yn unol â'r canllawiau.

Materion y cyflwynaf adroddiad arnynt drwy eithriad

Yng ngoleuni'r wybodaeth a'r ddealltwriaeth am Brif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru a'u hamgylcheddau a gafwyd yn ystod yr archwiliad, nid wyf wedi nodi unrhyw gamddatganiadau perthnasol yn yr Adroddiad Naratif na'r Datganiad Llywodraethu Blynyddol ar y cyd. Nid oes gennyf unrhyw beth i'w nodi o ran y materion canlynol, y cyflwynaf adroddiad i chi arnynt os bydd yr amgylchiadau canlynol yn berthnasol, yn fy marn i:

- ni chadwyd cofnodion cyfrifyddu digonol, neu ni chafwyd ffurflenni sy'n ddigonol ar gyfer fy archwiliad o ganghennau nad ymwelodd fy nhîm â hwy;
- nid yw'r datganiadau ariannol yn gyson â'r cofnodion a'r ffurflenni cyfrifyddu; neu
- nid wyf wedi cael yr holl wybodaeth ac esboniadau y mae eu hangen arnaf ar gyfer fy archwiliad.

Cyfrifoldebau

Cyfrifoldebau'r swyddog cyllid cyfrifol am y datganiadau ariannol

Fel yr esbonnir yn fanylach yn y Datganiad o Gyfrifoldebau am y Datganiad Cyfrifon, y swyddog cyllid cyfrifol sy'n gyfrifol am baratoi'r datganiad cyfrifon, gan gynnwys datganiadau ariannol Cronfa Bensiwn Heddlu Gogledd Cymru, sy'n rhoi darlun cywir a theg, ac am ba bynnag reolaeth fewnol sy'n angenrheidiol ym marn y swyddog cyllid cyfrifol i allu paratoi datganiadau cyfrifon heb unrhyw gamddatganiad perthnasol, boed hynny trwy dwyll neu wall.

Wrth baratoi'r datganiad cyfrifon, mae'r swyddog cyllid cyfrifol yn gyfrifol am asesu gallu Prif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru i barhau fel busnes gweithredol, gan ddatgelu fel y bo'n gymwys, faterion sy'n ymwneud â'r busnes gweithredol a defnyddio sail gyfrifyddu busnes gweithredol oni thybir nad yw'n briodol.

Cyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol

Fy amcanion yw cael sicrwydd rhesymol ynghylch p'un a yw'r datganiadau ariannol yn eu cyfanrwydd yn rhai heb unrhyw gamddatganiad perthnasol, boed hynny trwy dwyll neu wall, a chyhoeddi adroddiad archwilydd sy'n cynnwys fy marn. Mae sicrwydd rhesymol yn lefel uchel o sicrwydd, ond nid yw'n gwarantu y bydd archwiliad a gynhelir yn unol â'r Safonau Rhyngwladol ar Archwilio yn y DU wastad yn canfod camddatganiad perthnasol pan fo'n bodoli. Gall camddatganiadau ddeillio o dwyll neu wall ac fe'u hystyrir yn berthnasol os, yn unigol neu gyda'i gilydd, gellid yn rhesymol ddisgwyl iddynt ddylanwadu ar benderfyniadau economaidd defnyddwyr a wneir ar sail y datganiadau ariannol hyn.

Mae afreolaidd-dra, gan gynnwys twyll, yn golygu achosion o ddiffyg cydymffurfio â deddfau a rheoliadau. Rwy'n dylunio gweithdrefnau yn unol â'm cyfrifoldebau, a nodir uchod, i ganfod camddatganiadau perthnasol mewn perthynas ag afreolaidd-dra, gan gynnwys twyll.

Roedd fy ngweithdrefnau'n cynnwys y canlynol:

- holi'r rheolwyr a'r rhai sy'n gyfrifol am lywodraethu, gan gynnwys cael ac adolygu dogfennaeth ategol mewn perthynas â pholisïau a gweithdrefnau Prif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru sy'n ymwneud ag:
 - adnabod, gwerthuso a chydymffurfio â deddfau a rheoliadau a pha un a oeddent yn ymwybodol o unrhyw achosion o ddiffyg cydymffurfio;

- canfod ac ymateb i'r risgiau o dwyll ac a oes ganddynt wybodaeth am unrhyw dwyll gwirioneddol, tybiedig neu honedig; a hefyd
- y rheolaethau mewnol a sefydlwyd i liniaru risgiau sy'n gysylltiedig â thwyll neu ddiffyg cydymffurfio â deddfau a rheoliadau.
- ystyried fel tîm archwilio sut a ble allai twyll ddigwydd yn y datganiadau ariannol ac unrhyw ddangosyddion posibl o dwyll. Fel rhan o'r drafodaeth hon, canfûm botensial ar gyfer twyll yn y maes canlynol: gwrthwneud gan reolwyr; a hefyd
- cael dealltwriaeth am fframwaith awdurdod Prif Gwnstabl Heddlu Gogledd Cymru yn ogystal â fframweithiau cyfreithiol a rheoleiddiol eraill y mae Prif Gwnstabl Heddlu Gogledd Cymru'n gweithredu oddi mewn iddynt, gan ganolbwyntio ar y deddfau a'r rheoliadau hynny a gafodd effaith uniongyrchol ar y datganiadau ariannol neu a gafodd effaith sylfaenol ar weithrediadau Prif Gwnstabl Heddlu Gogledd Cymru.

Yn ychwanegol at yr uchod, roedd fy ngweithdrefnau i ymateb i risgiau a ganfuwyd yn cynnwys y canlynol:

- adolygu'r datgeliadau yn y datganiadau ariannol a phrofi yn erbyn dogfennaeth ategol i asesu cydymffurfiaeth â deddfau a rheoliadau perthnasol a drafodir uchod;
- holi'r rheolwyr a'r Cydbwyllgor Archwilio am ymgyfreithiad a hawliadau gwirioneddol a phosibl;
- darllen cofnodion cyfarfodydd y rhai sy'n gyfrifol am lywodraethu; ac
- wrth fynd i'r afael â'r risg o dwyll trwy wrthwneud rheolaethau gan reolwyr, profi
 priodoldeb cofnodion dyddlyfr ac addasiadau eraill; asesu a yw'r dyfarniadau a
 wnaed wrth lunio amcangyfrifon cyfrifyddu'n rhoi arwydd o wyrduedd posibl; a
 gwerthuso'r rhesymeg fusnes dros unrhyw drafodion arwyddocaol sy'n anarferol neu
 y tu allan i gwrs arferol busnes.

Fe wnes i hefyd gyfleu deddfau a rheoliadau dynodedig perthnasol a risgiau posibl o dwyll i holl aelodau'r tîm archwilio ac aros yn effro i unrhyw arwyddion o dwyll neu ddiffyg cydymffurfio â deddfau a rheoliadau trwy gydol yr archwiliad.

Effeithir ar y graddau y mae fy ngweithdrefnau'n gallu canfod afreolaidd-dra, gan gynnwys twyll, gan yr anhawster cynhenid o ran canfod afreolaidd-dra, effeithiolrwydd rheolaethau Prif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru, a natur, amseriad a hyd a lled y gweithdrefnau archwilio a gyflawnwyd.

Ceir disgrifiad pellach o gyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol ar wefan y Cyngor Adrodd Ariannol yn <u>www.frc.org.uk/auditorsresponsibilities</u>. Mae'r disgrifiad hwn yn rhan o'm hadroddiad archwilio.

Tystysgrif cwblhau'r archwiliad

Ardystiaf fy mod wedi cwblhau'r archwiliad o gyfrifon Prif Gwnstabl Heddlu Gogledd Cymru a Chronfa Bensiwn Heddlu Gogledd Cymru yn unol â gofynion Deddf Archwilio Cyhoeddus (Cymru) 2004 a Chod Ymarfer Archwilio Archwilydd Cyffredinol Cymru.

Adrian Crompton Archwilydd Cyffredinol Cymru 24 Heol y Gadeirlan Caerdydd CF11 9LJ



Archwilio Cymru 24 Heol y Gadeirlan Caerdydd CF11 9LJ

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Gwefan: www.archwilio.cymru

We welcome correspondence and telephone calls in Welsh and English. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



CYD-BWYLLGOR ARCHWILIO 06 Hydref 2021 Datganiad o Gyfrifon 2020-2021 Adroddiad gan Brif Swyddogion Cyllid y Prif Gwnstabliaid a'r Comisiynwyr Heddlu a Throseddu



1. Cefndir

- 1.1 Sefydlodd Deddf Diwygio'r Heddlu a Chyfrifoldeb Cymdeithasol 2011 y Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl fel corfforaethau unigol o 22 Tachwedd 2012. Yn ymarferol, mae hyn yn golygu ei bod yn ofynnol i'r ddwy gorfforaeth gynhyrchu eu Datganiad Cyfrifon unigol eu hunain yn unol â'r Cod Ymarfer ar Gyfrifyddu Lleol (y Cod) a'r Safonau Adrodd Ariannol Rhyngwladol (IFRS) perthnasol. Yn ogystal, mae'n ofynnol i'r Comisiynydd Heddlu a Throsedd gynhyrchu cyfres o Gyfrifon
 - 1.2 Lluniwyd y Datganiadau yn unol â'r Cod, y ddeddfwriaeth berthnasol a'r canllawiau sydd ar gael. Mae dwy ddogfen wedi'u cynhyrchu, sef:

• Grŵp Comisiynydd Heddlu a Throsedd Gogledd Cymru a Chyfrifon Endid Sengl 2020-2021. Mae'r rhain yn cynnwys cyfrifon y Grŵp a hefyd cyfrifon endid sengl Comisiynydd Heddlu a Throsedd.

• Cyfrifon Prif Gwnstabl Heddlu Gogledd Cymru 2020-2021. Mae'r rhain yn cynnwys cyfrifon endid sengl y Prif Gwnstabl a hefyd Cyfrif Pensiwn yr Heddlu 2020-2021.

1.3 Darperir copïau o'r ddwy ddogfen ar wahân.

2. Y broses ar gyfer cwblhau Datganiad o Gyfrifon 2020-21

- 2.1 Mae Gwelliant Cyfrifon ac Archwilio (Cymru) 2018 yn ei gwneud yn ofynnol i'r swyddog ariannol cyfrifol lofnodi a dyddio'r datganiad o gyfrifon ac ardystio ei fod yn cyflwyno darlun cywir a theg o sefyllfa ariannol y corff ar ddiwedd y flwyddyn ariannol erbyn 31 Mai y flwyddyn honno fan hynny. Yna, mae'n ofynnol i'r swyddog ariannol cyfrifol ail-ardystio'r datganiad cyn iddo gael ei gymeradwyo a'i gyhoeddi gyda thystysgrif, barn neu adroddiad yr archwilydd perthnasol er mwyn cyhoeddi'r datganiad erbyn 31 Gorffennaf y flwyddyn honno.
- 2.2 Daeth yr amserlen ddiwygiedig a gyflwynwyd gan y gwelliant uchod â'r dyddiad cychwynnol a'r dyddiad olaf ymlaen, gan leihau'r amserlen gyffredinol o 2 fis. Cyfrifon 2018-2019 oedd y flwyddyn gyntaf lle'r oedd y dyddiadau hyn yn berthnasol, ac roedd y manteision o allu symud ymlaen i waith arall yn gynharach yn y flwyddyn yn sylweddol.
- 2.3 Effeithiwyd ar y tabl amser, y cynnwys a'r prosesau a fabwysiadwyd ar gyfer 2020-2021 gan bandemig COVID mewn ffordd debyg i 2019-2020. Cafodd y datganiadau drafft eu cynhyrchu a'u hardystio gan y swyddogion cyfrifol erbyn diwedd Mai 2021, ond oherwydd amserlen estynedig wrth archwilio cyfrifon y Gwasanaeth Iechyd, nid oedd Archwiliad Cymru yn gallu dechrau ar eu gwaith archwilio mewn pryd i fodloni'r terfyn amser ar 31 Gorffennaf.

- 2.4 Yn dilyn trafodaeth gydag Archwilio Cymru ac aelodau'r Cydbwyllgor Archwilio, pennwyd amserlen ddiwygiedig gyda 6 Hydref yn ddyddiad penodol i gymeradwyo'r cyfrifon. Roedd hyn yn dilyn canllawiau a ddarparwyd gan Lywodraeth Cymru yn amlinellu bod hyn yn dderbyniol ar yr amod bod yr hysbysiadau gofynnol yn cael eu gwneud a bod y cyfrifon drafft yn cael eu cyhoeddi fel drafft erbyn diwedd mis Gorffennaf. Bodlonwyd y ddau ofyniad hyn, yn ogystal â symud y dyddiad a bennwyd i etholwyr llywodraeth leol allu holi'r Archwilydd Cyffredinol i 25 Awst gyda'r cyfrifon ar gael i'w harchwilio am 20 diwrnod cyn y dyddiad hwn.
- 2.5 Diwygiwyd prosesau yn ystod y cyfnod paratoi ac archwilio ac wedyn i adlewyrchu bod staff Cyllid ac Archwilwyr yn cyflawni eu dyletswyddau o gartref yn y mwyafrif llethol o achosion, gan ddefnyddio gweithio o bell a chyfarfodydd ar-lein a rhannu data lle bo angen er mwyn sicrhau bod cyfathrebu effeithiol yn digwydd.
- 2.6 Mae rhai materion wedi dod i'r amlwg ers i'r cyfrifon drafft gwreiddiol gael eu cynhyrchu ddiwedd Mai 2021 gan arwain at newid i gynnwys a chyflwyniad y cyfrifon. Fodd bynnag, nid oes yr un o'r rhain wedi newid y symudiad cyffredinol mewn cronfeydd wrth gefn defnyddiadwy, sef y 'llinell waelod' yn ei hanfod, o'r ffigurau drafft gwreiddiol a adroddwyd i'r Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl yn ystod mis Mai 2020 yn yr adroddiad alldro.
- 2.7 Mae adborth gan aelodau JAC ynghylch Datganiad o Gyfrifon 2020-21 hefyd wedi'i ystyried gan adeiladu ar y newidiadau a wnaed yng nghyfrifon 2019-20 i helpu i ddeall y cyfrifon.
- 2.8 Oherwydd natur dechnegol y cyfrifon a'r diystyru statudol i ofynion cyfrifyddu arferol o fewn cyfrifyddu llywodraeth leol, mae gwella eu cyfeillgarwch i ddefnyddwyr yn parhau i fod yn heriol. Fodd bynnag, y bwriad fyddai parhau i ddatblygu'r agwedd hon yn flynyddol heb gyfaddawdu ar eu cyflawni i'r terfynau amser priodol.
- 2.9 Mae'r canlynol yn amlinellu rhai o'r digwyddiadau allweddol sy'n bwydo i mewn i gynhyrchu'r datganiadau diwygiedig
 - 28.05.2021: Cyfrifon drafft wedi'u llofnodi a'u hanfon at dîm Archwilio Cymru.
 - 14.06.2021: Dechreuwyd yr archwiliad yn llawn
 - 25.06.2020: Briff Technegol a gyflwynwyd i aelodau'r CA.
 - 04.08.2021: Cynhaliwyd y Pwyllgor Archwilio gan gynnwys y wybodaeth ddiweddaraf am y cyfrifon.
 - 10.09.2021: Set ddrafft ddiwygiedig o gyfrifon a gyhoeddwyd gyda diwygiadau y cytunwyd arnynt yn cael eu hanfon at Archwiliad Cymru

3 Cynnwys y Datganiadau

- 3.1 Mae'r ddau Ddatganiad yn cynnwys Adroddiad Naratif sy'n cwmpasu gofynion yn unol â'r Cod. Nid yw'r rhain yn cael eu hailadrodd yn yr adroddiad hwn ond mae'r penawdau allweddol – ar ôl cael eu datblygu ar y cyd â'r Cydbwyllgor Archwilio ac adolygiad o arfer da mewn sefydliadau Plismona eraill - yn cynnwys:
 - Cyflwyniad
 - Llywodraethu a Chyfrifoldebau
 - Blaenoriaethau Strategol

- Perfformiad Gweithredol 2020-21 gan gynnwys effaith COVID
- Risg Gorfforaethol
- Perfformiad Ariannol 2020-21
- Cysoni Cyllid i GAAP
- Darpariaethau Cronfeydd Wrth Gefn a Ffynonellau Cyllid
- Rhagolygon yn y dyfodol
- Polisïau cyfrifyddu
- Cydweithio â chyrff eraill
- Digwyddiadau ar ôl y cyfnod adrodd
- 3.2 Mae'r Datganiadau o Gyfrifon mewn Llywodraeth Leol yn ddogfennau technegol iawn. Mae'r cyfuniad o'r gofynion cyfrifyddu, ynghyd â'r diystyru Statudol a Rheoleiddiol (er mwyn sicrhau nad yw'r ffordd y caiff y cyfrifon eu paratoi yn achosi costau ychwanegol i'r cyhoedd) yn arwain at gyfres gymhleth o Ddatganiadau. Mae gofynion ychwanegol dau endid unigol a chyfres o gyfrifon Grŵp yn ychwanegu ymhellach at y cymhlethdod hwn.
- 3.3 Mae'r dull a ddefnyddir yng Ngogledd Cymru, yn dilyn trafodaethau gyda Rhwydwaith Cyllid Heddlu CIPFA, y Lluoedd Cymreig eraill a Swyddfa Archwilio Cymru yn adlewyrchu realiti'r trefniadau. Canlyniad hyn yw bod cost Plismona yn cael ei dangos yng Nghyfrif Incwm a Gwariant Cynhwysfawr y Prif Gwnstabl. Newidiodd fformat y datganiad hwn yn 2016-2017 gan ei bod yn ofynnol i'r Cod gael ei baratoi yn unol ag adroddiadau rheoli h.y. yn seiliedig ar ddadansoddiad goddrychol.
- 3.4 Mae'r Dadansoddiad Gwariant a Chyllid (EFA) yn dangos y gwariant blynyddol a sut y caiff ei ariannu i ddangos sefyllfa diwedd blwyddyn ac effaith gyffredinol ar y defnydd o gronfeydd wrth gefn defnyddiadwy ar gyfer y flwyddyn.
- 3.5 Mae'r prif ddatganiadau eraill yn dilyn ymlaen o'r EFA. Erbyn hyn, mae gan y Prif Gwnstabl Fantolen gyfyngedig, Symud mewn Cronfeydd Wrth Gefn a datganiad llif arian o gyflwyno'r Dadansoddiad Gwariant a Chyllid. Mae'r rhain yn cynnwys y cronfeydd wrth gefn na ellir eu defnyddio mewn perthynas â'r ased/atebolrwydd Pensiwn net a'r Cyfrif Absenoldeb Cronedig. Yna mae'r nodiadau i'r Datganiadau yn dilyn yr hyn sydd wedi'i gynnwys yn y prif ddatganiadau.

4 Crynodeb o'r newidiadau i'r drafft terfynol ac ymateb y Rheolwyr i Adroddiad Archwilio Cymru

- 4.1 Mae'r Archwilydd Cyffredinol yn bwriadu rhoi barn ddiamod ar y ddau Ddatganiad o Gyfrifon fel y'u nodir yn ei adroddiad. Mae un camddatganiad heb ei gywiro a nodir isod.
- 4.2 Camddatganiadau heb eu cywiro

Pensiynau wedi'u gorbwysleisio o £200,000

Ymateb – Roedd hyn yn ymwneud â 2 ddarpariaeth a godwyd nifer o flynyddoedd yn ôl o fewn y ddarpariaeth yswiriant. Byddent yn cael eu rhoi yn y gronfa Yswiriant wrth gefn pe baent yn cael eu codi heddiw. Caiff y rhain eu hadolygu fel rhan o gyfrifon 2021-22 a gwneir asesiad os oes eu hangen o hyd cyn gwneud y cywiriad.

4.3 Camddatganiadau wedi'u cywiro

Cafwyd cywiriadau ac eglurhad eraill o'r hyn sy'n deillio o'r archwiliad a'r adolygiad gan aelodau'r CA. Roedd y rhain yn dechnegol eu natur neu'n symudiadau rhwng nodiadau; nid yw'r symudiad mewn cronfeydd wrth gefn defnyddiadwy wedi newid o'r adroddiad alldro a'r cyfrifon drafft gwreiddiol. Mae'r rhain wedi'u crynhoi'n fyr isod:

- Eglurhad pellach i'r adroddiad Naratif a'r Adroddiad Llywodraethu Blynyddol.
- Cywirwyd atebolrwydd Pensiwn yr Heddlu yn dilyn cywiriad yn yr amcangyfrif o gyfraniad y cyflogwr a roddwyd i'r actiwari.
- Newidiadau eraill (tua 20) ar wahanol nodiadau a rhai symudiadau rhwng llinellau ar y prif ddatganiadau.

5 Argymhellion

I aelodau'r pwyllgor archwilio nodi cynnwys yr adroddiad hwn yn unol â dyletswyddau'r pwyllgor a sefydlwyd yn y cylch gorchwyl, yn benodol i adolygu'r datganiadau blynyddol o gyfrifon a datganiadau llywodraethu blynyddol.

Ac i ddatrys:

Yn unol â'i Gylch Gorchwyl, mae'r Cydbwyllgor Archwilio wedi adolygu'r Datganiadau Ariannol Blynyddol ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2020 y Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl ac mae wedi ystyried adroddiadau'r archwilydd allanol arno. Mae'r Cydbwyllgor Archwilio yn cadarnhau nad oes unrhyw faterion heb eu datrys yn codi y mae angen rhoi gwybod i'r Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl amdanynt, cyn iddynt gymeradwyo'r Datganiadau Ariannol Blynyddol perthnasol.

<u> </u>	
Cydraddoldeb	Mae'r Prif Gwnstabl a'r Comisiynydd Heddlu a Throsedd yn
	gweithredu o ran yr egwyddorion a sefydlwyd o fewn y
	Cynllun Cydraddoldeb ar y Cyd.
Ariannol	Nod yr adroddiad hwn yw cyflwyno i'r pwyllgor ddatganiad o
	gyfrifon y ddwy gorfforaeth yn unig.
Cyfreithiol	Mae'r datganiadau o gyfrifon yn bodloni'r safonau gofynnol,
	fel yr amlinellir yn yr adroddiad.
Cymunedol	Cyhoeddir y datganiadau o gyfrifon ar wefan y Comisiynwyr.
	Cyhoeddwyd hysbysiad cyhoeddus o dan Adrannau 29, 30 a
	31 o Ddeddf Archwilio Cyhoeddus (Cymru) 2004, sy'n datgan
	y caiff aelodau o'r cyhoedd arolygu a gwneud copïau o'r
	cyfrifon o 27 Gorffennaf i 24 Awst 2021 ac o 1 Medi ymlaen
	ofyn cwestiynau i'r Archwilydd penodedig.
Risg	Mae gweithdrefnau rheoli risg ar waith ac fe'u hystyriwyd ar
	wahân gan y pwyllgor fel rhan o'r trefniadau llywodraethu
	cyffredinol. Mae risgiau ariannol wedi'u cynnwys yn y
	datganiad o gyfrifon .
Cynllun	Ystyrir y Cynllun Heddlu a Throsedd ar ddechrau'r cylch
Heddlu a	cynllunio ariannol i sicrhau y gellir cyflawni'r cynllun o fewn
Throsedd	cyllideb gynaliadwy.
	Ariannol Cyfreithiol Cymunedol Risg Cynllun Heddlu a

6 GOBLYGIADAU





Cydbwyllgor Archwilio

Dyddiad y Cyfarfod: 6 Hydref 2021

Teitl:	Bwrdd Cyd Lywodraethu
Awdur:	Kate Jackson, Prif Swyddog Cyllid
Diben yr adroddiad:	Diweddariad
Cyflwynir yr adroddiad i'r CA ar	Penderfyniad
gyfer:	Trafodaeth
(ticiwch un)	□ Sicrwydd
	X Gwybodaeth
Crynodeb / Pwyntiau Allweddol:	 Roedd dau aelod o'r CA yn bresennol yn y cyfarfod a gynhaliwyd ar 26 Awst 2021.
	 Hysbyswyd y Bwrdd o gynnydd parhaus yr Adolygiad Effeithlonrwydd ac Effeithiolrwydd Llywodraethu.
Argymhellion:	 Bod aelodau'r Cyd Bwyllgor Archwilio yn nodi gwaith y Bwrdd Cyd Lywodraethu. Aelodau o'r Cydbwyllgor Archwilio i fod yn ymwybodol fod ganddynt wahoddiad sefydlog i fynychu'r Bwrdd Cyd Lywodraethu, ac y darperir
Effaith cofrestr risgiau:	papurau a chofnodion cyfarfodydd iddynt ar gais. Mae'r ffordd y rheolir risg yn rhan annatod o lywodraethu da a chaiff ei ystyried o fewn y Fframwaith Llywodraethu.
Goblygiadau sicrwydd:	Mae'r Bwrdd Cyd Lywodraethu yn goruchwylio newidiadau i drefniadau sicrwydd yn dilyn yr Adolygiad Llywodraethu a ymgymerwyd yn 2019/20. Mae'r Bwrdd Cyd Lywodraethu yn goruchwylio unrhyw
	newidiadau yn y dyfodol i'r Llawlyfr Llywodraethu.
Effaith Cydraddoldeb:	Dim
Gwybodaeth wedi'i heithrio o ddadleniad:	Dim

CYDBWYLLGOR ARCHWILIO



6 Hydref 2021

Bwrdd Cyd Lywodraethu



Adroddiad gan Brif Swyddog Cyllid y Comisiynydd Heddlu a Throsedd

1. Cefndir

- **1.1.** Ffurfiwyd y Bwrdd Cyd Lywodraethu yn 2014 er mwyn dogfennu trefniadau llywodraethu Swyddfa'r Comisiynydd Heddlu a Throsedd a Heddlu Gogledd Cymru.
- **1.2.** Bydd y Pwyllgor yn cyfarfod pedair gwaith y flwyddyn, ac mae rhaglen waith wedi'i pharatoi.
- **1.3.** Estynnir gwahoddiad sefydlog i aelodau o'r Cydbwyllgor Archwilio i'r cyfarfod. Daeth Cadeirydd y Cydbwyllgor a dau aelod ar 26 Awst 2021, a gyfrannodd i gyd yn y cyfarfod.

2. Argymhellion

- **2.1.** Bod aelodau'r Cyd Bwyllgor Archwilio yn nodi gwaith y Bwrdd Cyd Lywodraethu.
- **2.2.** Aelodau o'r Cydbwyllgor Archwilio i fod yn ymwybodol fod ganddynt wahoddiad sefydlog i fynychu'r Bwrdd Cyd Lywodraethu, ac y darperir papurau a chofnodion cyfarfodydd iddynt ar gais. Dyddiadau cyfarfodydd y dyfodol yw:
 - 28 Hydref 2021 am 2yh
 - 1 Mawrth 2022 am 10yb
 - 22 Mehefin 2022 am 10yb
 - 7 Medi 2022 am 10yb
 - 9 Tachwedd 2022 am 10yb

3. Gwaith y Bwrdd Cyd Lywodraethu

- **3.1.** Yn y cyfarfod a gynhaliwyd ar 26 Awst 2021, trafodwyd y canlynol:
 - 3.1.1. Adolygiad Effeithlonrwydd ac Effeithiolrwydd Llywodraethu
 - Gwnaeth y Pennaeth Cudd-wybodaeth Busnes Corfforaethol (sy'n gadeirydd y Bwrdd Sicrwydd) gyflwyno adroddiad ar effeithlonrwydd ac effeithiolrwydd trefniadau llywodraethu'r heddlu.
 - Nodwyd yr ystyrir y trefniadau yn effeithlon ac effeithiol, a bod yr adroddiad yn cynnwys tystiolaeth i gefnogi hyn.

- Rhoddodd cadeirydd y CA adborth ar yr adroddiad, ac argymhellodd bod amserlenni i'w hychwanegu at weithrediadau lle bo'n briodol.
- 3.2.2 Archwiliad mewnol ac allanol

Trafodwyd argymhellion cynnydd ar archwiliad, ac roedd heriau i'r Bwrdd Cyd Lywodraethu eu hystyried.

Awgrymwyd y gellid trafod y cynllun archwilio mewnol yn y Bwrdd Cyd Lywodraethu cyn cael ei gyflwyno i'r Cydbwyllgor Archwilio, os yw hyn yn bosibl.

3.2.3 Nodiadau briffio cleientiaid a rhybuddion twyll

Rhoddodd y Cyfarwyddwr Cyllid ac Adnoddau wybodaeth ar y rhain, ac eglurodd bod gweithredu'n digwydd yn ddibynnol ar gynnwys y nodyn briffio neu'r rhybudd.

3.3 Bydd aelodau'r Cydbwyllgor Archwilio'n gallu cael mynediad at bapurau, gan gynnwys cofnodion a gweithrediadau o'r cyfarfod diweddaraf, drwy'r gyriant G. Cynhelir y cyfarfod nesaf ar 28 Hydref 2021.

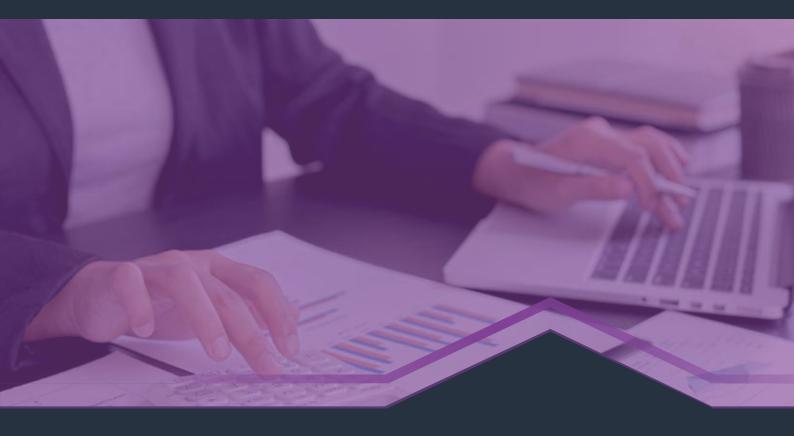
4. GOBLYGIADAU

4.1	Cydraddoldeb	Mae'r Prif Gwnstabl a'r Comisiynydd Heddlu a Throsedd yn gweithredu gan dalu sylw i'r egwyddorion a sefydlwyd yn y Cynllun Cydraddoldeb ar y Cyd.
4.2	Ariannol	Mae'r ffordd y rheolir cyllid yn rhan annatod o lywodraethu da. Ystyrir polisïau ariannol a monitro systemau ariannol a pherfformiad o fewn y Fframwaith Llywodraethu.
4.3	Cyfreithiol	Mae'n ofyniad cyfreithiol cyhoeddi Datganiadau Llywodraethu Blynyddol ar ran y Comisiynydd Heddlu a Throsedd a'r Prif Gwnstabl ochr yn ochr â'r Datganiadau Cyfrifon bob blwyddyn. Un o ddibenion y Bwrdd Cyd Lywodraethu yw cofnodi gweithgareddau llywodraethu corfforaethau undyn (a sicrhau y caiff unrhyw bryderon sylw) fel bod y Datganiadau Llywodraethu Blynyddol yn cael eu paratoi'n gywir ac yn amserol.
4.4	Cymunedol a Gwerth Cymdeithasol	Caiff polisïau amgylcheddol, canlyniadau ac ymgysylltiad (a monitro'r rhain) eu hystyried o fewn y Fframwaith Llywodraethu. Mae hyn yn cynnwys Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2017.
4.5	Risg	Mae'r ffordd y rheolir risg yn rhan annatod o lywodraethu da a

		chaiff ei ystyried o fewn y Fframwaith Llywodraethu.
4.6	Cynllun Heddlu	Mae'r amcanion yn y Cynllun Heddlu a Throsedd yn sylfaenol
	а	bwysig i'r ddwy gorfforaeth undyn. Ystyrir y ffordd y caiff hyn ei
	Throsedd	fonitro o fewn y Fframwaith Llywodraethu.

Awdur yr Adroddiad

Kate Jackson Prif Swyddog Cyllid, SCHTh



Introduction to the Police and Crime Commissioner's and Group Statement of Accounts









Introduction from the Chief Executive

The last financial year has been a challenge for all concerned. The Police and Crime Commissioner elections which were due to take place in May 2020 were postponed until May 2021, due to the Covid19 pandemic. The Commissioner's Covid Response Plan confirmed that the priorities identified in the Police and Crime Plan 2020/21 would remain in place. These priorities are:

- Domestic Abuse
- Modern Day Slavery
- Organised Crime
- Sexual Abuse
- Delivering Safer Neighbourhoods

Furthermore, the Commissioner identified five further focus points in order to deal with the emergency situation. These were:

- Ensuring the Chief Constable has sufficient resources to respond to the emergency
- Ensuring, on behalf of our communities, that the police respond in ways that are necessary, sufficient, proportionate and ethical
- Facilitating effective partnership working among agencies and groups working in community safety and criminal justice
- Commissioning services, particularly for victims of crime, and providing grants for policing and harm reduction purposes
- Ensuring that the long-term health of North Wales Police is protected by monitoring the organisation's recovery planning and activity beyond the Covid-19 emergency



The budget for 2020/21 was approved on 31 January 2020, before the full impact of Covid-19 was known. The lockdown periods changed both the way staff and officers carry out their work, and the nature of crime. On 23 March 2020, those who were able to do so were advised to work from home. The swift response from the ICT department enabled this to happen immediately and, even at the time of writing, around 800 individuals continue to work primarily from home. While overall crime numbers decreased by around 10%, domestic abuse reports increased when the first lockdown was eased in June 2020, which supports the view that reporting had been suppressed during lockdown.

The Office of the Police and Crime Commissioner was particularly busy during 2020/21, handling £5.200m of commissioned services during the year, an increase of £2.164m compared to normal activity. As well as the usual activities, which include: Checkpoint Cymru, Community Safety Grants, Victims' Services, Dechrau Newydd and VAWDASV, the Commissioning Team administered Covid-19 emergency grants of £1.097m and Safer Streets Funding of £1.067m following two successful applications for funding.

I am pleased to see that, despite the challenging conditions, budgets continue to be managed well. While some costs associated with the pandemic were reimbursed through additional government grants, not all costs were recoverable. However, once again savings were identified during the year, an achievement to be proud of given the significant savings already delivered over the last 10 years. These savings have been used to offset the additional expenditure, meaning that the new Police and Crime Commissioner and Chief Constable can move forward with confidence, in the knowledge that the organisations they lead are financially as sound as they can be in a time of such uncertainty.

Stephen Hughes

Chief Executive

Tudal



Introduction from the Chief Finance Officer

The Code of Practice on Local Government Accounting in the United Kingdom 2020/21 (CIPFA/LASAAC) provides us with guidance on how we should prepare our accounts to comply with International Financial Reporting Standards, and also in line with legislation, which requires us to show the balance of taxpayers' funds (the usable reserves) at the end of the financial year.

While we must comply with these requirements in preparing our Statement of Accounts, for the purposes of setting council tax and monitoring income and expenditure, we can measure our financial performance in the year by comparing our budget with our outturn (actual income and expenditure within the year) and the impact on the usable reserves.

Due to the Covid-19 pandemic, and the resulting changes to demand and working practices, actual patterns of income and expenditure varied significantly from the budgets. However, due to government grants received to reimburse some of the Covid-related expenditure, together with savings identified during the year, the overall financial impact was minimised, with a transfer to usable reserves of £5.714m at the year end.

The Police and Crime Commissioner is the initial recipient of all income, regardless of whether the funding is used by the Office of the Police and Crime Commissioner or the Force. For this reason, in order to comply with the Code of Practice on Local Government Accounting, within the accounts you will see much higher amounts in the Police and Crime Commissioner's accounts than you would expect to see, based on the expenditure controlled by his office. Similarly, there are items which must feature on the Commissioner's balance sheet, because the Chief Constable is not allowed to own them, such as land and buildings, and surpluses and deficits on the pension funds. The group column on each of the statutory statements shows the overall position, after adjusting for transfers between the two bodies.

Tudale

Kate Jackson

Chief Finance Officer

AT THE END OF THE FINANCIAL YEAR, THE POLICE AND CRIME COMMISSIONER TRANSFERRED £5.714M TO RESERVES:

Revenue Expenditure	Revised Budget 2020/2021	Outturn (Actual) 2020/21	Variance Over/(Under) spend
	£m	£m	£m
Employee costs	144.035	143.437	(0.598)
Non staff costs	35.996	34.159	(1.837)
Capital funding from revenue budget	4.688	4.799	0.111
Contingencies	0.250	-	(0.250)
Partnerships	6.514	6.506	(0.008)
Income	(28.679)	(30.910)	(2.231)
Net operating expenditure	162.804	157.991	(4.813)
Transfers to/(from) earmarked reserves	0.901	5.486	4.585
Transfer to/(from) general reserve	-	0.228	0.228
Total transfers to/(from) reserves	0.901	5.714	4.813
Net overall expenditure	163.705	163.705	-



The primary reasons for the £4.813m underspend are:

Employees - underspend £0.598m

This is the net effect of a number of items. Police officer pay was over budget by £0.631m, as a result of the recruitment plan being to achieve the Operation Uplift (the Government's initiative to increase police officer numbers by 20,000 over three years) target early on, and to maintain officer numbers throughout the year. At the end of the year, there was a net increase of 82 officers compared to the previous year.

Staff pay was over budget by ± 0.104 m, as a result of staffing levels being maintained, and additional agency staff being used to assist with Covid work. Overtime was underspent by ± 0.145 m, due to consistently high staff and officer levels, lower than usual sickness absence, and a 3-month moratorium on most training.

Training was underspent by £0.738m, due to this moratorium and delays in delivery of other training; this underspend has therefore been allocated between the Training Reserve and the PEQF reserve to ensure that these delays do not impact council tax in future years.

Direct pension payments were £0.309m lower than expected, due to 3 fewer officers being retired on ill-health grounds compared to the budget.

Premises - underspend £0.663m

A combination of no increase in the price of fuel, and reduced usage of building resulted in an underspend of £0.140m in energy costs. Of the remaining underspend, £0.394m related to building works which were delayed due to the pandemic.

Transport – underspend £0.668m

The cost of using the force's vehicles was £0.441m below budget. The vast majority of this is due to reduced fuel costs, but approximately £0.080m is the result of reduced accident repair costs. Car and travel allowances were under budget by £0.227m. This is directly attributable to the Covid lockdowns, as most meetings were held online, meaning that travel to and from meetings reduced substantially.

Supplies and Services – underspend £0.506m

Underspends related to individuals working from home and attending meetings online during the pandemic included office consumables (stationery and printing) £0.120m and subsistence £0.168m.

Additional budget was set aside to pay for IT for Operation Uplift Officers; instead this expenditure was met by the Capital Programme, leading to an underspend of £0.210m in IT and Communications.

While the expenditure on clothing and uniforms was as expected for probationers, there was less demand from existing officers and staff, leading to an underspend of £0.169m.

For ensics was overspent by \pm 0.100m, largely due to increased costs for road side drug testing.

Tudale

The inflation and general contingency of $\pm 0.250m$ was unspent at the end of the year.

Additional income was received, amounting to £2.231m. Significant items include:

- Income from secondments was £0.464m in excess of the budget
- Specific grants were £1.615m in excess of the budget
- Partnerships these budgets are managed separately, but are included in the outturn for completeness, and are included in the Statement of Accounts
- Interest on balances was £0.930m less than the budget

Included in the above is Covid-related income and expenditure. This is a net of £0.293m during 2020/21 comprising:

Covid related expenditure included in the overall totals:	£m
Employee costs	0.965
Non-staff costs	0.593
Loss of Income	0.203
Specific grants	(1.468)
Total net expenditure	0.293

Also included in the above is the cost of the Office of the Police and Crime Commissioner. The revised budget for the year was £0.930m and the outturn was £0.828m. Around half of this underspend was the result of the post of Deputy Police and Crime Commissioner being vacant for most of the year, with the remainder resulting from a large number of smaller variances. This underspend has been allocated to the OPCC Office Reserve and the Legal Reserve.

The Office of the Police and Crime Commissioner is responsible for commissioning services to support the Police and Crime Plan. In addition to the Commissioner's Community Safety budget, £3.463m of externally funded expenditure was administered by the Office of the Police and Crime Commissioner during the financial year, bringing the total expenditure to £5.200m. As well as the usual activities, this included £1.097m of Covid-related funding, and £0.993m Safer Streets fund.

A reconciliation between the outturn and the Income and Expenditure Statement is shown in the Group Expenditure and Funding Analysis, which appears on page 19 of the Statement of Accounts.

Tudal

The revenue expenditure table includes the effect of capital expenditure during the year on the income and expenditure account and reserves. The capital programme comprises expenditure on assets with a useful life of more than one year, such as land, buildings, vehicles and some IT equipment. When assets are sold, receipts of more than £10,000 must be transferred to the Capital Receipts Reserve, and can be used only to fund the capital programme or to repay debt. (In contrast, the earmarked reserve called the Capital Reserve derives from revenue, and the Commissioner may transfer amounts between the general fund and any earmarked reserve as he sees fit; these reserves are reviewed regularly to ensure they are allocated suitably to deliver the Commissioner's plans.)

The original capital programme for 2020/21 was £9.906m. Adding in slippage increased this to £12.677m. Largely due to Covid restrictions the programme was re-profiled, with the revised estimate at quarter 3 being £6.087m. The final outturn was £5.258m.

Scheme	Budget 2020/21 (reprofiled)	Expenditure 2020/21	Underspend/ slippage	
	£m	£m	£m	
Estates	1.889	1.669	(0.220)	
Vehicles & equipment	2.033	1.727	(0.306)	
IT & Communications	2.165	1.862	(0.303)	
Total capital programme	6.087	5.258	(0.829)	

The Police and Crime Commissioner is required to hold reserves. He is not allowed to set a budget which would leave the usable reserves overdrawn. A summary of the movement in reserves follows, and further information can be found within the Statement of Accounts.

118 o 299 7 Tudale

Movement in Reserves Baland 2020/21 April 2 £m		Transfers out 2020/21 £m	Transfers in 2020/21 £m	Total Movement £m	Balance 31 March 2021 £m
General reserve	5.189	-	0.228	0.228	5.417
Earmarked Reserves:					
Capital reserve	3.002	-	-	-	3.002
Pensions ill health reserve	1.115	(0.140)	-	(0.140)	0.975
PFI reserve	3.177	(0.071)	-	(0.071)	3.106
Major incident reserve	2.435	-	-	-	2.435
Insurance reserve	1.173	-	-	-	1.173
Estates security and maintenance reserve	2.279	(0.490)	0.103	(0.387)	1.892
Partnerships balances reserve	0.674	(0.050)	0.109	0.059	0.733
Management of change reserve	5.290	(0.259)	1.945	1.686	6.976
Training reserve	0.100	-	0.500	0.500	0.600
Uplift reserve	-	-	1.577	1.577	1.577
ESN reserve	-	-	0.158	0.158	0.158
Covid reserve	-	-	0.597	0.597	0.597
PEQF reserve	-	-	0.325	0.325	0.325
FCIN reserve	-	-	1.080	1.080	1.080
Commissioner's community safety fund reserve	0.510	(0.089)	0.087	(0.002)	0.508
Legal reserve (OPCC)	0.056	-	0.054	0.054	0.110
Office of the Police and Crime Commissioner reserve	0.163	-	0.050	0.050	0.213
Total earmarked reserves	19.974	(1.099)	6.585	5.486	25.460
Total revenue reserves	25.163	(1.099)	6.813	5.714	30.877
Capital receipts reserve	0.054	(0.088)	2.118	2.030	2.084
Total usable reserves	25.217	(1.187)	8.931	7.744	32.961

Tudalen 119 o 299

The usable reserves (shown above) represent the balance of taxpayer's funds that the Police and Crime Commissioner held on 31 March 2021. The balance sheet also includes unusable reserves, which are created from the transactions required for the accounting statements to comply with International Financial Reporting Standards.

The Covid-19 pandemic had a significant impact during 2020/21, which necessitated some activities (such as training) being delayed. This delayed expenditure has been placed into earmarked reserves to ensure it can be used for its intended purpose in future, and there will be no need to increase council tax to pay for these items.

When setting the council tax for 2021/22, it was highlighted that a significant amount of funding will be required for ESN (Emergency Services Network – the replacement for the Airwave radio system), and it was intended to set up a reserve for this purpose at the end of 2021/22. It was decided to allocate an amount of the underspend in 2020/21 towards this, which will reduce the amount we need to borrow for this purpose in future years.

Although there were many and significant variations from the budget allocations for 2020/21, funding was managed well during the year, with delayed expenditure being placed into reserves at the year end. This will ensure that future years' budgets are not impacted by the pandemic. Revenue reserves now stand at 18% of the annual net budget (16% at 31 March 2020) – the equivalent of just over two months' expenditure. With the need to fund ESN, and to recover from the Covid-19 pandemic, and continued uncertainty over future funding, these reserves will be key to our ability to continue to deliver services to the public in North Wales.

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NORTH WALES POLICE & CRIME COMMISSIONER GROUP STATEMENT OF ACCOUNTS 2020 – 2021

Table of Contents

Narrative Report	3
Statement of Responsibilities for the Group Statement of Accounts	
Group Expenditure and Funding Analysis 2020-2021	
Group Expenditure and Funding Analysis 2019-2020	20
Group Comprehensive Income and Expenditure Statement	21
Group Movement in Reserves Statement	22
Group Balance Sheet	23
Group Cash Flow Statement	24
Notes to the Group Statement of Accounts	25
Police Pension Fund Account	63
Group Statement of Accounting Policies	64
Glossary of Terms	79
Annual Governance Statement 2020-2021	82
The independent auditor's report of the Auditor General for Wales	97
Summary Capital Expenditure and Funding 2020-2021	

Narrative Report

Group Accounts – Narrative Report by the Chief Finance Officer, Kate Jackson

INTRODUCTION

This Narrative report aims to provide a commentary around how resources have been used by the organisation to achieve its desired outcomes. It is subject to independent scrutiny by our appointed external auditors and the aim is to produce a report that is fair, balanced and understandable.

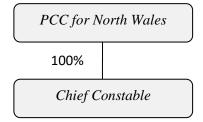
To that end the narrative report starts by clarifying the responsibilities of the Police & Crime Commissioner with sections on the organisation's Strategic Priorities, Operational and Financial Performance, Future Outlook and important content relating to the main Statement of Accounts then following on within the report.

GOVERNANCE & RESPONSIBILITIES

2020-2021 marks the ninth year since the introduction of Police and Crime Commissioners in England and Wales, following the implementation of the Police Reform and Social Responsibility Act 2011.

In principle, the Act established both the Police and Crime Commissioner and the Chief Constable as corporations sole, each deemed a separate legal entity that can employ staff, enter into contracts and take part in legal proceedings. The Police and Crime Commissioner has the responsibility to secure the maintenance of an efficient and effective police force and will commission the delivery of this from the Chief Constable. The Act has also established Police and Crime Panels for each policing area whose role is to hold the Police and Crime Commissioners to account for their decisions and actions.

In practice the two corporations sole are required to prepare their own statutory single entity Statement of Accounts, in accordance with the Code of Practice on Local Authority Accounting and relevant International Financial Reporting Standards. The Police and Crime Commissioner is also required to produce a set of Group Accounts. The Police and Crime Commissioner is identified as the holding organisation and the Chief Constable is deemed a wholly owned subsidiary. A more detailed review of the governance arrangements in place is included later in this document in the form of the Annual Governance Statement but the nature of the group's structure is set out within the legislation and the preparation of the group accounts is in accordance with statutory accounting practice.



The Statement of Accounts for 2020-2021 provides a picture of the financial position at 31 March 2021 and a summary of the income and expenditure in the year to 31 March 2021.

NORTH WALES STRATEGIC PRIORITIES

North Wales is regarded as one of the most beautiful places to live and visit in the UK.

With a population of 687,500, the North Wales force area covers an area of 6,300 square kilometres extending from Bronington in the East to Aberdaron in the West and from Cemaes Bay in the North to Aberdyfi in the South.

The Force area covers the six geographic counties of North Wales, namely Gwynedd, Anglesey, Conwy, Denbighshire, Flintshire and Wrexham and is serviced by a single Health Board, Betsi Cadwaladr University Health Board and by the North Wales Fire and Rescue Service and Authority. The area is also serviced by the National Probation Trust and the Welsh Ambulance Service Trust.

North Wales encompasses both urban and rural areas including two cities, the Snowdonia National Park, two significant ports (Holyhead in Anglesey and Mostyn in Flintshire), expanding industrial regions and numerous busy towns, many of which attract a high volume of tourists during the summer months.

Key objectives and performance priorities are set out in the Police and Crime Plan 2017-2021. The priorities in the plan have been developed in response to the areas of greatest threat, risk and harm facing North Wales following an extensive consultation process.

PCC elections were due to be held in May 2020, however, due to the COVID pandemic these were postponed until May 2021. The PCC produced a COVID Response Plan which confirmed that the priorities identified in the Police and Crime Plan 2017-2021 would remain in place.

These priority areas identified in the Police and Crime Plan 2017-2021 are:

- Domestic Abuse
- Modern Day Slavery
- Organised Crime
- Sexual Abuse
- Delivering Safer Neighbourhoods

Furthermore, as part of the COVID response plan the PCC set out a further five focus points in order to deal with the emergency situation, these were:

- 1. Ensuring the Chief Constable has sufficient resources to respond to the emergency
- 2. Ensuring, on behalf of our communities, that the police respond in ways that are necessary, sufficient, proportionate and ethical (holding to account)
- 3. Facilitating effective partnership working among agencies and groups working in community safety and criminal justice
- 4. Commissioning services, particularly for victims of crime, and providing grants for policing and harm reduction purposes
- 5. Ensuring that the long term health of North Wales Police is protected by monitoring the organisation's recovery planning and activity beyond the Covid-19 emergency

With the overall priorities set by the PCC, the Chief Constable's Delivery Plan sets out the specific actions North Wales Police will take to deliver these priorities. Of note is the importance of partnership working to tackle them.

All priority areas present issues beyond policing and an effective response can be delivered only in partnership as reflected in the schematic below:



The Police and Crime Plan 2017-2021 and the COVID response Plan are available on the PCC's Website <u>https://www.northwales-pcc.gov.uk</u>

The Chief Constable's 'plan on page' for 2020-2021 is outlined below:



OPERATIONAL PERFORMANCE

The Statement of Accounts is primarily focused upon the financial performance for the year; however, it is also important to consider key objectives and performance set out in the Police and Crime Plan 2017-2021. The priorities in the plan have been developed in response to the areas of greatest threat, risk and harm facing North Wales following an extensive consultation process. Despite the unique circumstances the force retained its focus on value for money both in terms of its response to Covid-19 and its wider approach to service delivery.

Achievements in 2020-2021 included:

- responding to the Coronavirus emergency and fulfilling statutory responsibilities as the Commissioner's core priority;
- publishing the Coronavirus Response Plan, which outlined actions and aims to keep North Wales safe in the midst of the pandemic;
- PCC commissioned services continuing to operate in support of vulnerable people;
- on behalf of our communities ensuring that the police respond in ways that are necessary, sufficient, proportionate and ethical;
- Recruiting of an additional 62 Officers to resource growth, meeting the Operation Uplift increase in Officers early in the financial year.
- Increasing resources and the associated capacity and capability within the Protecting Vulnerable People Unit;
- Establishing the new Economic Crime Unit within the force;
- Enhancing the capacity and capability of the force in the following areas:
 - o Additional resources within the Major Crime Team;
 - o Additional Response Officers;
 - o Additional Training and Mentoring Officers;
 - o Additional Training and Health and Wellbeing Staff;
 - Additional Corporate Support Officers and Staff;
 - Additional Crime Intelligence Staff;

- Delivering substantial investment and progress in relation to Digital Transformation including a step change in the force's ability to operate in an agile manner;
- Investment and progress against the Force Estate's strategy including refurbishment of Pwllheli Police Station;

Impact of COVID 19

The impact of Covid 19 and the resulting lockdown periods had a large impact on the demands on Policing throughout 2020-2021. None of the priorities remained untouched by changes in demand or the influence of easing lockdowns.

As a whole, crime demand reduced by the order of 10% overall, with the crime types most affected being residential burglary, vehicle crime, sexual offences, and violence. Whilst domestic abuse was widely reported in the media as being a greatly increased issue due to lockdown, this manifested itself in calls to helplines, but not in police recorded crimes, which was the case nationally as well as within North Wales Police. However, on the first easing of lockdown in June 2020, there was an initial escalation in reporting levels of domestic abuse, which included a large number of historical and additional offences reported, supporting the view that these had been supressed during lockdown.

Residential burglary was not similarly affected by lockdown easing, and remains suppressed for the time being; potentially due to the increased levels of home working that persist. One area that increased during the lockdown periods was anti-social behaviour, with neighbourhood disputes becoming an increased factor.

As would be anticipated road related incidents reduced dramatically under lockdown conditions, but returned to normal quickly when restrictions were eased. Response times to immediate priority incidents improved during lockdown periods due to lower number of incidents.

Public safety and confidence

The annual public confidence survey was run in September and October 2020 and in addition to the usual questions about the public perception of policing, included additional questions about the Policing of Covid 19 lockdown periods.

- Over 9 in 10 (93%) residents were confident in North Wales Police generally, which is significantly higher by 4 percentage points when compared with the 2019 survey (89%).
- More than 9 in 10 (92%) residents felt safe from crime and disorder living in North Wales generally; with just over a third (36%) feeling very safe, and only 6% felt unsafe. The proportion of residents who felt safe is significantly higher by 6 percentage points when compared with the 2019 survey (86% in 2019).
- The proportion of residents who feel North Wales is safer than the rest of the UK has increased significantly by 8 percentage points to 80%, when compared with the 2019 survey (72% in 2019).
- Seven in ten (70%) residents feel that the police struck a good balance with regards to the application of COVID-19 lockdown rules and regulations. Around a quarter (23%) disagreed – with most arguing that the police have been too lenient (20%), although a small selection (3%) said that they have been too strict.

There has been significant, and at times very different, demand placed on the police service in 2020-2021 policing under COVID restrictions as well as dealing with the threats in crimes of terrorism, sexual exploitation and cyber-crime. During the 2020-2021 the Force had to re-align its priorities to deal with the COVID policing requirements, while also protecting the vulnerable in society in line with the priorities in the Police and Crime Plan 2017-2021. The Police and Crime Commissioner produces an Annual Report to detail performance for the year which can be found <u>here</u>.

Challenges still exist for the Police Service due to the level of imposed cuts over the last ten years coupled with continued uncertainty over government funding. The Police and Crime Commissioner has implemented a budget strategy to deliver the required savings over the period and as part of this has identified and delivered £2.358m of savings during 2020-2021. As part of the strategy, the level of reserves and provisions currently held is considered prudent and the general reserve of £5.417 million is slightly over 3% of the net revenue expenditure for the current 2021-2022 financial year which is within the acceptable range of 3% to 5% as defined in the Medium Term Financial Plan.

CORPORATE RISK

A Joint Risk Management Framework is shared by the Police & Crime Commissioner and Chief Constable to identify, evaluate and manage the risks faced by the respective organisations. The framework defines the steps that are required to gain the necessary understanding to support effective decision making.

Under the scrutiny of the Joint Audit Committee the Force has looked to develop its risk management framework over the course of the year. Over the course of the year the Corporate risk registers have tracked the emergence of new risk, the closing of existing risk and also changes in the risk level occurring over the course of the year. The risk management framework itself has also been the subject of an annual review which included developing the Force's Risk Appetite statement, strengthening the documentation and approach in this area.

As would be expected, a Pandemic risk features on the Force risk register and given Covid-19 events, a sub-Covid-19 risk register has also been created and monitored over the course of the year.

Other key Corporate Risks identified, tracked or monitored by the joint framework during 2020-2021 included: adequate financial resources being available to deliver service plans; potential impacts of EU exit, the impact of Covid-19 on service delivery, the potential impacts of Pension reform across Policing and various other risks associated with business change events.

Reviewing, monitoring and managing all these corporate risks on their merits over the course of 2020-21 has been especially important given the difficult context presented by Covid-19.

FINANCIAL PERFORMANCE

2020-2021 Budget

The Police and Crime Commissioner operated with a Net Revenue Budget of £163.705m for 2020-2021 which was formally set at a meeting of the Police and Crime Panel on 31 January 2020 and equated to a 6.12% increase to the base revenue budget consisting of:

- Increase in precepts of 4.89%;
- Increase in Government funding of 7.48% directed at increasing Officers numbers via Operation Uplift;

The CFO delivered a presentation and report for the panel outlining the precept proposal which was subject to scrutiny in the meeting. The precept proposal was approved unanimously.

The increase in Government Grants was directed towards recruiting, training, infrastructure and pay for an additional 62 Police Officers (Operation Uplift), with any unallocated amount in 2020-2021 to be used to fund future Uplift costs, this equated to £1.577m for North Wales.

2020-2021 Net Revenue Outturn & Net Transfer to Reserves

Actual net operating expenditure for 2020-2021 was an outturn of £157.991m resulting in a net transfer to Group revenue reserves of £5.714m which is 3.5% of the Net Revenue Budget of £163.705m. This transfer to reserves is split as per the below:

	£m
Earmarked Reserves	4.406
Forensic Collision Investigation Reserve	1.080
General Reserves	<u>0.228</u>
Net Transfer to Group Reserves	<u>5.714</u>

The overall net movement in Earmarked reserves (including the FCIN figure above where North Wales Police acts as a host force for wider policing) is summarised below:

	£m	£m
Earmarked Reserves at 31 March 2020		19.974
Planned movements to earmarked reserves	-0.437	
New Earmarked Reserves	3.157	
FCIN Reserve	1.080	
Management of Change	1.686	
Net Movement		5.486
Earmarked Reserves at 31 March 2021		25.460

Further context for the Earmarked reserve net movement of £5.486m was:

- £0.437m being a planned and committed net movement from earmarked reserves;
- £3.157m being contributions mainly funded from Government funding for future events, namely Uplift £1.577m; Emergency Service Network (ESN) £0.158m; COVID and COVID Recovery £0.597m and Police Education Qualifications Framework (PEQF) £0.325m; and also £0.500m from delayed expenditure on training due to COVID going to the Training Reserve;
- £1.080m related to contributions to earmarked reserves relating to the Forensic Collision Investigation Network which North Wales Police host on behalf of all Policing areas;
- £1.738 being the net contribution to the Management of Change reserve;

The increase to the General Reserve of £0.228m represents the amount needed to ensure the General reserve is maintained at the minimum level of 3% of net revenue budget.

Analysis of Outturn v Total Budgeted Operational Expenditure

Operating expenditure for the year increased by 4.1% on prior year to £157.991m (2020-2021: £152.743m), however overall there was a £4.813m underspend variance to budgeted operating expenditure of £162.804m. This variance is further explained below.

	£m
Employee pay overspend	0.735
Employee other underspend	-1.024
Direct Pension underspend	-0.309
Premises underspend	-0.663
Transport underspend	-0.668
Inflation & General Contingency underspend	-0.250
Other non-staff underspend	-0.403
Additional income and recharges	-0.616
Additional Specific Grants Received	<u>-1.615</u>
Total revenue underspend	-4.813

The outturn position on spend and financing is provided in the table below with further explanation of the key variances to follow:

2019-2020 £m	REVENUE EXPENDITURE	2020-2021 £m	2020-2021 £m	+ (-) £m
132.819	EMPLOYEE COSTS	140.264	139.975	-0.289
2.833	POLICE PENSIONS	3.771	3.462	-0.309
33.817	NON STAFF RUNNING COSTS	36.246	34.159	-2.087
2.998	CAPITAL FINANCING	4.688	4.799	0.111
1.460	CAPITAL FINANCING FROM RESERVES	0.000	0.000	0.000
4.303	PCC COMMUNITY SAFETY FUND AND PARTNERSHIPS	5.208	5.200	-0.008
0.000	FCIN	1.306	1.306	0.000
-25.487	INCOME	-28.679	-30.910	-2.231
152.743	OPERATING EXPENDITURE	162.804	157.991	-4.813
2.184	TRANSFERS TO/-FROM EARMARKED RESERVES (REV)	0.901	5.486	4.585
-1.460	TRANSFERS TO/-FROM EARMARKED RESERVES (CAP)	0.000	0.000	0.000
0.797	TRANSFER TO/-FROM GENERAL RESERVE	0.000	0.228	0.228
154.264	NET EXPENDITURE	163.705	163.705	0.000
	FINANCED BY:			
73.234	TOTAL GRANTS	78.715	78.715	0.000
81.030	COUNCIL TAX PRECEPT	84.990	84.990	0.000
154.264	TOTAL FINANCING	163.705	163.705	0

Further Analysis of Revenue Outturn – Underspend £4.813m

Primary reasons for the underspend outlined above were as follows:

Employee costs – Pay Overspend £0.735m

The target recruitment of 62 additional Police Officers towards the Operation Uplift increase was achieved early and maintained throughout the year. Planned additional recruitment above the target was put in place during the year in order to attain the target number of Officers early in 2021-22, which included some transferees. This led to increased costs when compared with the original budget. Staff vacancies were kept to a minimum throughout the year, with extra agency staff being employed to cover additional work relating to the COVID pandemic.

Employee other costs - Under spend £1.024m

The majority of the underspend relate to training (£0.738m). A training moratorium was put in place during the first lockdown period and external training reduced considerably during the whole year. Overtime was underspent by £0.145m as staffing levels were high and absence low during the year. The balance of the underspend related to allowances.

Direct Pension Costs – Underspend £0.309m

This related mainly to 3 fewer III Health Retirements than budgeted (with the numbers to occur in future anticipated to be proportionately higher).

Non Staff running costs

The main variances are analysed below:

Premises – Underspend £0.663m

Specific works of £0.394m were delayed. Energy budgets were underspent by £0.140m due to a combination of usage and price stability. An underspend of £0.110m resulted from a reduction in the PFI charge relating to the Life Cycle Fund previously held by the PFI providers.

• Transport – Underspend £0.668m

Car and Travel allowances were underspent by £0.227m as officers and staff worked from home, with less or no travel to meetings. Vehicles running costs were underspent by £0.441m, £0.329m of which related to fuel costs as fuel prices and usage in some areas outturned lower than budgeted.

- Inflation and General Contingency Underspend £0.250m Contingencies were held back in case of any non COVID requirements in quarter 4 should they have materialised. Given they didn't contingencies were re directed to cover additional COVID costs rather than fund these costs from reserves.
- Other non staff Under spend £0.403m
 A number of headings underspent including Uniforms, Stationery, and other volume crime related costs as operational requirements changed.

Income - Additional income £2.231m

Significant items driving the variance include:

- Secondments and other recharges income £0.464m in excess of the budget.
- **Other income £0.308m** in excess of the budget as income improved in the second half of the year.
- Additional grant income £1.615m announced Q4 including COVID grants, ESN; and additional claims awarded for PCSOs and Security grants. A total of £1.468m COVID grants were received to support operational activities.

Office of the Police & Crime Commissioner – Underspend £0.102m

Included above is the cost of the Office of the Police and Crime Commissioner. The revised budget for the year was £0.930m and the outturn was £0.828m. The underspend related mainly to the Deputy Commissioner role being vacant; other significant underspends were experienced in travelling and office running costs, as all the staff worked from home and did not travel to meetings.

The Office of the Police and Crime Commissioner is responsible for commissioning services to support the Police and Crime Plan which amounted to £5.2m in 2020-2021. This was funded from the Commissioner's Community Safety budget and grants including Ministry of Justice grant to support victims of crime, and from Welsh Government for the VAWDASV programme. This expenditure was administered by the Office of the Police and Crime Commissioner during the financial year.

Forensic Collision Investigation Network FCIN

North Wales Police has agreed to host the FCIN in order to enable the accreditation of collision investigations nationally. All Policing areas in England and Wales have signed a collaboration agreement which includes the funding of the FCIN. 2020-2021 was the first year for FCIN, contributions and transfer of previous funds exceeded costs by £1.080m, this amount has been set aside within the reserves to fund future FCIN costs governed by the FCIN National Board.

Further Analysis of Capital Financing

The original Capital Budget was £9.906m, including the carry forward from 2019-20 this increased to £12.677m at the end of quarter 1. Due to a number of reasons as detailed below, and including the effect of COVID on internal and external resources, the projection was reduced to £8.491m at the end of quarter 2 and then to £6.087m at the end of quarter 3. Actual expenditure was £5.258m.

A summary is given below with the variance column analysing the difference between the Q3 Revised Budget and Actual outturn:

Capital Outturn 2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-	2020-
					2020	2020

					2021	2021
	Original	Original	Revised	Revised	Actual	Variance
		with C/F	Q2	Q3		from
	Budget	Budget	Budget	Budget		Q3
	£000	£000	£000	£000	£000	£000
Total Building Works	4,529	4,701	2,911	1,889	1,669	-220
Total Vehicles and Other Equipment	2,231	2,807	2,417	2,033	1,727	-306
Total Information Technology and	3,146	5,169	3,163	2,165	1,862	-303
Communication	5,140	5,105	5,105	2,105	1,002	-303
Total Capital Expenditure	9,906	12,677	8,491	6,087	5,258	-829
Home Office Grant	123	123	123	123	123	0
Revenue Contribution	2,413	2,553	2,690	2,691	2,846	155
Earmarked Reserves	1,608	3,506	1,403	539	0	-539
Capital Receipts	155	203	203	55	88	33
Borrowing for Estates	4,141	4,440	2,446	1,854	1,459	-395
Borrowing for replacement programme	1,466	1,852	1,626	825	742	-83
Total Funding	9,906	12,677	8,491	6,087	5,258	-829
Source of funding						
External sources	123	123	123	123	123	0
Own resources	4,176	6,262	4,296	3,285	2,934	-351
Debt	5,607	6,292	4,072	2,679	2,201	-478
TOTAL	9,906	12,677	8,491	6,087	5,258	-829

Key elements of the capital programme driving the figures are outlined below:

- Building and Estates Work The largest project was the refurbishment of Pwllheli Police Station, this was
 delayed by 3 months due to COVID, but being reoccupied in May 2021. Works within the HQ building in Colwyn
 Bay were completed. The site for a new Vehicle Commissioning Centre was purchased in the final quarter of
 the financial year, for development in 2021-2022. The key variances against the original budget were driven by
 deferral of expenditure in relation to Holyhead Police Station, the new VCC and Caernarfon Station.
- Vehicles and Equipment The vehicle replacement programme progressed well in 2020-2021, after facing considerable challenges with COVID affecting factories and deliveries, as well as the complications of Brexit on the supply chain. The majority of vehicles were delivered before the end of the year. Replacement of specific equipment was delayed but is expected to progress in 2021-2022.
- IT and Communications A substantial cross-cutting Digital and IT upgrade programme was commenced in 2019-2020 and continued in 2020-2021. This included implementation of personal issue lap top and body worn video equipment for officers who previously shared equipment, national projects, and other smaller upgrades and developments within the Force's infrastructure. The under spend of just over £2m in 2019-2020 reflects the complexity of the ambitious programme set at the beginning of the year, which includes inter-relationships between the individual schemes. Some of the projects are nationally driven which can result in delays beyond the Force's direct control. Work on the programme has continued in 2020-2021 with the programme remaining a key strand of to deliver its response to COVID and its wider strategy. The pandemic did have an effect on the programme with resources having to be redeployed to enable around 800 additional individuals to work from home from the start of the first lockdown. The key variances against original budget were driven by deferral of the Mobile App and associated Mobile Phone refresh expenditure and a deferral of some expenditure in relation to the Command & Control upgrade despite good progress being made.
- Some of the projects are nationally driven which can result in delays beyond the Force's direct control.
- The largest element of the IT programme was to provide Officers with 2 in 1 laptops as part of the Connected Officer and Digital Workplace Projects. These were being deployed in the last quarter of 2019-2020 which assisted with COVID policing, with the projects continuing throughout 2020-2021 and now nearing completion.
- One of the largest projects was the National Enablement Programme (NEP). The NEP is designed to provide policing with the tools and capabilities needed for the future (including tools such as Office365). Collaboration at a national policing level will be enabled allowing digital communications and mobile technology to be better utilised locally, regionally and nationally. The NEP is being rolled out in 2021-2022 with the infrastructure already in place.

- A number of smaller projects were put on hold or delayed as priority was given to implementing the larger projects which were critical work streams for the wider organisation moving into 2021-2022 .
- During the COVID lockdown period a moratorium on ICT Changes was put in place on non COVID related IT developments which has resulted in a number of projects being carried forward into 2021-2022.

RECONCILIATION OF FUNDING AVAILABLE & GAAP

The earlier sections of this report shows how the funding available to the Police and Crime Commissioner (i.e. government grants and council tax) for the year have been allocated to provide services in comparison with the original budget set. It is on this basis that the expenditure and income is managed on a day to day basis.

However, the primary statements that follow within the Statement of Accounts are prepared and presented in accordance with generally accepted accounting practices, and show the accounting cost in year rather than the amount to be funded from taxation. The differences are detailed in Note 7 Adjustment between accounting basis and funding basis under regulations.

RESERVES, PROVISIONS, SOURCES of INCOME & BORROWING:

Reserves

The movement in reserves are shown in the table below:

Usable Reserves – these are available for future expenditure (further details are in Note 7 and 8)

Movement in Reserves 2020-2021	Balance at 31 March 2020 £m	Transfers Out 2020-2021 £m	Transfers In 2020-2021 £m	Total Movement 2020-2021 £m	Balance at 31 March 2021 £m
General Reserve	5.189	0.000	0.228	0.228	5.417
Earmarked Reserves					
Capital Reserve	3.002	0.000	0.000	0.000	3.002
Pensions ill health reserve	1.115	-0.140	0.000	-0.140	0.975
PFI Reserve	3.177	-0.071	0.000	-0.071	3.106
Major Incident Reserve	2.435	0.000	0.000	0.000	2.435
Insurance Reserve	1.173	0.000	0.000	0.000	1.173
Estates Security and Maintenance	2.279	-0.490	0.103	-0.387	1.892
Partnerships Balances Reserve	0.674	-0.050	0.109	0.059	0.733
Management of Change Reserve	5.290	-0.259	1.945	1.686	6.976
Training Reserve	0.100	0.000	0.500	0.500	0.600
Uplift Reserve	0.000	0.000	1.577	1.577	1.577
ESN Reserve	0.000	0.000	0.158	0.158	0.158
COVID Reserve	0.000	0.000	0.597	0.597	0.597
PEQF Reserve	0.000	0.000	0.325	0.325	0.325
FCIN Reserve	0.000	0.000	1.080	1.080	1.080
Commissioners Community Safety Fund	0.510	-0.089	0.087	-0.002	0.508
Legal Reserve (OPCC)	0.056	0.000	0.054	0.054	0.110
Office of the Police & Crime Commissioner	0.163	0.000	0.050	0.050	0.213
Reserve Total Earmarked Reserves	19.974	-1.099	6.585	5.486	25.460
Total Earmarked Reserves	25.163	-1.099	6.813	5.486	30.877
Capital Receipts Reserve	0.054	-0.088	2.118	2.030	2.084
Total all reserves	25.217	-1.187	8.931	7.744	32.961

The Police and Crime Commissioner's reserves are required to meet any unforeseen events, fund the revenue and capital plans of the Force over forthcoming periods and to facilitate changes and developments that are required to improve efficiency and effectiveness and meet new demands.

Challenges still exist for the Police Service, given the level of imposed cuts over the last ten years coupled with continued uncertainty over government funding and large scale national projects being implemented. The Police and Crime Commissioner continues to implement the budget strategy to deliver the required savings over the period and as part of this £2.358 million savings were identified and delivered during 2020-2021.

As part of the strategy, the level of reserves and provisions currently held is considered prudent and the general reserve of £5.417 million being slightly over 3% of the net revenue expenditure for the year is within the acceptable range of 3% to 5% as defined in the Medium Term Financial Plan.

There were a number of movements within the reserves during 2020-21, with a number of new reserves being created to fund future one off and peak costs. Key elements in 2020-2021 to comment on in relation to Reserves and other long term funding are listed below:

Capital Reserve – No movement in 2020-2021 but the majority of this reserve is earmarked for the Command and Control system upgrade (which will continue to progress as work stream into FY2021-22) and other digital investments over the next two years.

Pension III Health Reserve Number of additional III Health retirements lower than expected triggering an adjustment to the contribution from reserves down from £0.425m to £0.140m. Anticipated IHRs mean that the balance is likely to be required in 2021-2022.

PFI Reserve – The Police and Crime Commissioner has a PFI scheme for the Divisional headquarters in St. Asaph. The funding for this scheme continues to be partially met from government grants, with the remainder funded by the revenue budget and an earmarked reserve. Details of the scheme and liability can be seen in Note 31. This is a planned contribution to make up for the annual reduction in grant.

Major Incident Reserve – Initially earmarked £0.800m towards COVID costs which was then reduced to £0.224m as grant funding became available. The in-year major incident contingency, together with government grants, was sufficient to fund the COVID requirements with no contribution required from the reserve.

Estates Maintenance and Security works – Set up to cover the costs relating to the Estates Condition Survey carried out in 2018-2019 and any other unforeseen significant estates works. Expenditure of £0.490m funded. £0.103m was added to reserve from the PFI Life Cycle repayment from the PFI supplier.

Partnership balances - a number of smaller partnerships where balances are held and used to fund future expenditure.

Management of Change – planned withdrawal of £0.259m and a contribution of £1.945m made to fund future change requirements.

Training Reserve – £0.5m added to reserve from the external training budget under spend to deal with the training backlog following the reduction in training due to COVID during 2020-2021.

Uplift Reserve – new reserve as planned. The Home Office strongly advised that any uncommitted Uplift funding should be put to one side to fund future recruitment, training of probationers, and infrastructure. £1.577m contribution as planned.

Emergency Service Network (ESN) Reserve – this is a new reserve originally planned to be set up at the end of 2021-22. ESN grant was awarded by the Home Office of £0.158m late in the year which has been earmarked for future ESN costs.

COVID reserve – an un-hypothecated grant of £0.597m was announced at the end of February 2021 towards additional cost of policing during the pandemic. As funding for these costs had already been found by this point in the year, the amount can be set aside for potential COVID and COVID recovery related costs in 2021-2022. If not used, the reserve can be re allocated at a later date.

Police Education Qualification Framework (PEQF) – Probationers commenced on the PEQF qualifications from September 2020. As the numbers of Probationers increase due to Operation Uplift there is a peak in the costs in 2023-24. By creating the reserve this can be used to fund the peak, so that a budget increase is not needed. The £0.325m arises from income provided by WG/HO and under spend on the PEQF element of the Training budget.

FCIN – the Force has agreed to host the Forensic Collision Investigation Network in order to facilitate national accreditation of Forensic Collision Investigation work. Contributions from all Forces and the transfer of existing reserves from West Mercia has led to receipts totalling £2.385m ; and costs of £1.305m were incurred. The balance of £1.080m is held towards the costs to be incurred in future years as agreed by the national FCIN Board.

Community Safety Fund – overall small movement of £0.002m balancing the contributions and costs of the various commissioned work by the PCC.

OPCC Legal Reserve - £0.054m added from under spend on the OPCC budget to meet future costs.

OPCC Reserve – balance of £0.050m on the OPCC's budget.

Capital Receipts reserve - this can be used towards capital expenditure only; the net increase of £2.030m mainly due to the sale of the old Wrexham DHQ and Police Station.

Full details of the capital expenditure and financing are shown in Appendix A.

Pensions impact on Reserves

The Police and Crime Commissioner has a negative reserve on his Balance Sheet arising from the treatment of IAS 19 Employee Benefits. This relates to the Police Officers' Pension Schemes and the Police Staff Local Government Pension Scheme liabilities. This amounts to a deficit of £1.951 billion as at 31 March 2021. The Police Officer Pensions Schemes are unfunded and the amount shown in the reserve of -£1.853 billion represents the amount that would be required to have a fully funded scheme. This liability is underwritten by the Home Office. The Police Staff Local Government Scheme does have a fund to finance future liabilities, and the reserve shown of -£0.098 billion reflects the estimated deficit in the fund as at the end of March 2021. Further details are shown in Note 34 in the accounts. The Police Pension Scheme was subject to actuarial revaluation in March 2019 and the Police Staff Local Government Scheme subject to actuarial revaluation as at March 2020, the results of these have been incorporated within the Statement of Accounts.

Capital Balances & Reserves:

The following table provides a summary of the capital balances and reserves held by the Police and Crime Commissioner:-

	OPENING BALANCE	MOVEMENT	CLOSING BALANCE
CAPITAL BALANCES AND RESERVES	01/04/2020 £'000	£'000	31/03/2021 £'000
USABLE CAPITAL RESERVES			
Capital Receipts Reserve	54	2,030	2,084
UNUSABLE CAPITAL RESERVES			
Revaluation Reserve	21,449	-294	21,155
Capital Adjustment Account	19,992	-662	19,330

During the year the Police and Crime Commissioner reviewed asset valuations of 21 properties within the portfolio.

Provisions

	OPENING		CLOSING
PROVISIONS	BALANCE	MOVEMENT	BALANCE
	£'000	£'000	£'000
INSURANCE FUND	838	-67	771

Sources of Income

The Comprehensive Income and Expenditure account shows where the Police and Crime Commissioner's money comes from and what it is spent on. The majority of his income was received from Government Grants and the precept, which is raised locally and is collected by the Unitary Authorities along with their council tax.

The following are the levels of the Police share of the Council Tax that were set during the 2019-2020 and 2020-2021 financial years:

Band	А	В	С	D	E	F	G	Н	Ι
2019-2020	185.40	216.30	247.20	278.10	339.90	401.70	463.50	556.20	648.90
2020-2021	193.74	226.03	258.32	290.61	355.19	419.77	484.35	581.22	678.09

Borrowing

No long term borrowing was taken out in 2020-2021. Short term borrowing was required at the beginning of the financial year due to the reduction in reserves and the uneven profile of pension grant receipts, and to ensure liquidity over the initial lockdown period. The total of loans outstanding at the end of the financial year was £9.375 million (2019-2020 £14.875 million).

FUTURE OUTLOOK

Uncertainty surrounding the level and potential impact of the future funding settlements in the Police Service mandates the need to continue to ensure that we maintain a stable financial platform and continue to review and transform our services. The impacts of COVID, an awaited outcome of a planned Comprehensive Spending Review and a potential future review of the Police Funding Formula heighten the current levels of uncertainty further.

The Medium Term Financial Plan sets out the financial requirements over the 2020-2025 period. It links the Police and Crime Plan priorities to the financial strategy and can be found on the Police and Crime Commissioner's Website.

The Police and Crime Commissioner and Chief Constable are committed to ensuring that the police service in North Wales is fit for purpose and provides value for money to the people of North Wales. An essential part of this is the requirement for adequate reserves, in order to meet forthcoming challenges and ultimately protect front line services. Having a sustainable financial platform is vitally important for future service delivery. The Strategic planning process has a critical role to play in ensuring that resources are allocated to the areas that matter most to meeting the demands that the organisation faces, in an effective way that delivers Value for Money in the process.

The 2021-2022 Budget was set by the Police and Crime Commissioner, and approved by the Police and Crime Panel on 2 February 2021, at £173.365 million. This represented a 5.14% Council Tax increase and an overall net increase of 5.90% compared to the 2020-2021 budget of £163.705 million. The increase includes an allocation of 61 additional Police Officers from phase 2 of the Government's Operation Uplift which will increase officer's numbers by 20,000 nationally. Significant investments have been made in prevention and proactivity, digital and demand management, and wellbeing initiatives. The CFO delivered a presentation and report for the panel outlining the precept proposal which was subject to scrutiny in the meeting. The precept proposal was approved unanimously.

During the last quarter of 2019-2020 Coronavirus spread internationally resulting in the UK entering lockdown on 23 March 2020. The impact on the 2020-2021 accounts was significant; however the effect on the overall financial position has been minimal due to the aid of government support and re allocation of existing budgets. Additional disclosures are included where appropriate. The long term effect on costs of policing relating to the pandemic is being monitored and managed within the 2021-2022 budgets. It is uncertain at this time what medium or long term impact the pandemic will have operationally or financially. The Force has set up a Recovery Group to manage any issues and to ensure implications are incorporated into the planning cycle. Longer term opportunities from changes in working practices, such as home working, are being explored.

ACCOUNTING POLICIES

Changes in accounting policies are made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the financial position or financial performance. Minor changes have been made to update the policies these have had no material effect on the accounts and so have not required re-statement of the previous year's accounts.

COLLABORATION with OTHER BODIES

Police and Crime Commissioners are encouraged to explore areas where they might collaborate on the delivery of services, either with other police forces or on a local level with other public bodies.

To that end the Police and Crime Commissioner is working closely with the other Welsh Forces and the North West Region to explore areas for collaboration; details of current arrangements are in Note 39. On a local level, the Force's Facilities Department is managing jointly the estate of the Police and Crime Commissioner and the North Wales Fire and Rescue Service and further opportunities for joint working are being explored. The Police and Crime Commissioner also operates a joint control room with North Wales Fire and Rescue Service in St. Asaph.

The Force has been hosting the national Forensic Collision Investigation Network since 2020-2021, this is a significant collaboration between all Policing areas in Wales and England to attain accreditation and ensure the highest standards in collision investigation nationally. The Force also leads on a number of other national collaborations.

In 2013 the Police and Crime Commissioner transferred the helicopter to the National Policing Air Service (NPAS). This is a mandatory national contract for delivery of a Police Air Service throughout England and Wales. The Police and Crime Commissioner continues to work with Cheshire Constabulary delivering an Armed Policing Alliance and Police Dog Section to enhance operational performance whilst continuing to deliver efficiencies and savings necessary to deliver services at a time of government funding reductions.

EVENTS AFTER THE REPORTING PERIOD

At the time that the Statement of Accounts were submitted to the Police and Crime Commissioner on the 6 October 2021, all material adjusting or non-adjusting events which would be required to be included in the Statement of Accounts have been reflected under Note 6.

GROUP STATEMENT OF ACCOUNTS

The group accounts present a detailed picture of the financial affairs of the group, Police and Crime Commissioner and Chief Constable and comprise:

• Group Statement of Responsibilities (Page 18).

This sets out the responsibilities of the Police and Crime Commissioner and the Chief Finance Officer in respect of the Statement of Accounts and confirms that the accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting.

• Expenditure and Funding Analysis (Page 19).

This shows how annual expenditure is used and funded from resources (government grants, council tax precept and business rates) by the Police and Crime Commissioner and the Group in comparison with those resources consumed or earned by the Police and Crime Commissioner and the Group in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for management accounting purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

• Comprehensive Income and Expenditure Statement (Page 21).

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices rather than the amount to be funded from taxation. The Police and Crime Commissioner raises taxation to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

• Group Movement in Reserves Statement (Page 22).

This statement shows the movement in the year on the different reserves held by the Police and Crime Commissioner, analysed into usable reserves (those that can be applied to fund expenditure) and other (principally technical accounting) unusable reserves.

• Group Balance Sheet (Page 23).

This shows the carrying values as at the Balance Sheet date of the assets and liabilities recognised by the Police and Crime Commissioner. The net assets of the Police and Crime Commissioner (assets less liabilities), are matched by the reserves held by the Police and Crime Commissioner.

• Group Cash Flow Statement (Page 24).

This statement shows the changes in cash and cash equivalents of the Police and Crime Commissioner during the year.

• Group Notes to the Statements (Pages 25 to 62).

These are all the explanatory notes which explain in more detail a number of items relating to the primary statements.

• Police Pension Fund Account (Page 63).

This details the transactions relating to Police Pension income and expenditure.

• Group Statement of Accounting Policies (Page 64).

This statement supports the accounts and details the specific principles, rules and practices applied by the Police and Crime Commissioner in preparing and presenting the financial statements.

These have been produced in accordance with the accounting standards which currently apply to local policing bodies. Where this produces a conflict with the underlying legal requirement to produce accounts showing tax payers' funds, relevant adjustments have been made in accordance with the CIPFA code of practice. A schedule of these adjustments can be found in Note 7 "Adjustments between Accounting Basis and Funding Basis under Regulations".

Statement of Responsibilities for the Group Statement of Accounts

The purpose of this statement is to set out the responsibilities of the Police and Crime Commissioner and the Chief Financial Officer in respect of the Statement of Accounts.

The Police and Crime Commissioner's Responsibilities

The Police and Crime Commissioner is required:-

- * to make arrangements for the proper administration of his financial affairs and to secure that one of his officers has the responsibility for the administration of those affairs. In this organisation, that officer is the Chief Finance Officer.
- * to manage his affairs to secure economic, efficient and effective use of resources and safeguard his assets.
- * approve the group statement of accounts.

I approve this Statement of Accounts for the year ended 31 March 2021.

Andy Dunbobbin Police and Crime Commissioner for North Wales Date:

The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Group Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this Statement of Accounts, the Chief Finance Officer has:

- * selected suitable accounting policies and then applied them consistently.
- * made judgments and estimates that were reasonable and prudent.
- * complied with the Code of Practice.

The Chief Finance Officer has also:

- * kept proper accounting records which were up to date.
- * taken reasonable steps for the prevention and detection of fraud and other irregularities.

CHIEF FINANCE OFFICER'S CERTIFICATE

The statement of accounts has been prepared in accordance with the requirements of the Local Government Accounts and Audit (Wales) Regulations 2014, and reflects the format and content of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting 2020-2021 and the Service Reporting Code of Practice.

I certify that this Statement of Accounts gives a true and fair view of the financial position of the Police and Crime Commissioner and the Group at the reporting date and of its income and expenditure for the year ended 31 March 2021.

The audit certificate appears on pages 97 to 99.

Kate Jackson (Chief Finance Officer)

Date:

Group Expenditure and Funding Analysis 2020-2021

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the Police and Crime Commissioner (i.e. government grants and council tax) for the year has been used in providing services in comparison with those resources consumed or earned by Police and Crime Commissioners in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2020-2021		GROUP			PCC			СС	
	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 24)	Net Expenditure in the Comprehensive Income & Expenditure Statement	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 24)	Net Expenditure in the Comprehensive Income & Expenditure Statement	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 24)	Net Expenditure in the Comprehensive Income & Expenditure Statement
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Policing Services	175,962	6,456	182,418	-19,089	-89	-19,178	195,051	6,545	201,596
Net Cost of Services before intra group transfer	175,962	6,456	182,418	-19,089	-89	-19,178	195,051	6,545	201,596
Intra Group Transfer	0	0	0	195,051	0	195,051	-195,051	0	-195,051
Net Cost of Services	175,962	6,456	182,418	175,962	-89	175,873	0	6,545	6,545
Other Income and Expenditure	-181,676	38,979	-142,697	-181,676	-192	-181,868	0	39,171	39,171
SURPLUS(-)/DEFICIT(+) ON PROVISION OF SERVICES	-5,714	45,435	39,721	-5,714	-281	-5,995	0	45,716	45,716
Opening General Fund Balance *	-25,163								
Add surplus(-)/deficit(+) on General Fund balance in year	-5,714								

* Usable Revenue Reserves

-30.877

CLOSING GENERAL FUND BALANCE *

Group Expenditure and Funding Analysis 2019-2020

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the Police and Crime Commissioner (i.e. government grants and council tax) for the year has been used in providing services in comparison with those resources consumed or earned by Police and Crime Commissioners in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2019-2020		GROUP			CC				
	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 24)	Net Expenditure in the Comprehensive Income & Expenditure Statement	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 24)	Net Expenditure in the Comprehensive Income & Expenditure Statement	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 24)	Net Expenditure in the Comprehensive Income & Expenditure Statement
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Policing Services	172,188	2,619	174,807	-16,653	254	-16,399	188,841	2,365	191,206
Net Cost of Services before intra group transfer	172,188	2,619	174,807	-16,653	254	-16,399	188,841	2,365	191,206
Intra Group Transfer Net Cost of Services	0 172,188	0 2,619	0 174,807	188,841 172,188	0 254	188,841 172,442	-188,841 0	0 2,365	-188,841 2,365
Other Income and Expenditure	-173,709	45,746	-127,963	-173,709	-447	-174,156	0	46,193	46,193
SURPLUS(-)/DEFICIT(+) ON PROVISION OF SERVICES	-1,521	48,365	46,844	-1,521	-193	-1,714	0	48,558	48,558
Opening General Fund Balance *	-23,642								
Add surplus(-)/deficit(+) on General Fund balance in year	-1,521								

CLOSING GENERAL FUND BALANCE *

-25,163

* Usable Revenue Reserves

Group Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Police and Crime Commissioner raises taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

	2019-2020				2020-2021	
GROUP	PCC	СС		GROUP	PCC	CC
£000	£000	£000		£000	£000	£000
56,276	0	56,276	Police Officers	59,854	0	59,854
39,243	491	38,752	Support Staff	40,621	516	40,105
57,279	70	57,209	Pensions	61,590	88	61,502
1,328	0	1,328	Allowances	1,208	0	1,208
1,430	5	1,425	Indirect Employees Expenses	1,095	7	1,088
6,333	3	6,330	Premises	6,388	0	6,388
2,810	19	2,791	Transport Expenses	2,422	3	2,419
19,146	212	18,934	Supplies and Services	22,647	172	22,475
10,517	0	10,517	Third Party Payments	8,756	0	8,756
206	58	148	Support Services	238	62	176
6,354	6,354	0	Depreciation, amortisation and impairment	5 <i>,</i> 386	5,386	0
0	3,337	-3,337	PCC expenditure on grants and initiatives	0	5,506	-5,506
833	0	833	Uncompensated absences accrual	3,131	0	3,131
201,755	10,549	191,206	Gross Operating Expenditure	213,336	11,740	201,596
-26,948	-26,948	0	Income	-30,918	-30,918	0
174,807	-16,399	191,206	COST OF SERVICES	182,418	-19,178	201,596
0	188,841	-188,841	Commissioning Cost (intra group transfer)	0	195,051	-195,051
174,807	172,442	2,365	NET COST OF SERVICES	182,418	175,873	6,545
25	25	0	Other Operating Expenditure (Note 9)	-69	-69	0
			Financing & investment income and expenditure			
47,119	926	46,193	(Note 10)	40,191	1,020	39,171
			Home Office Grant Payable towards the cost of			
-20,371	-20,371	0	retirement benefit	-18,991	-18,991	0
-154,736	-154,736	0	Taxation & Non specific grant income (Note 11)	-163,828	-163,828	0
46,844	-1,714	48,558	SURPLUS(-)/DEFICIT(+) ON PROVISION OF SERVICES	39,721	-5,995	45,716
-2,128	-2,128	0	(Surplus) or deficit on revaluation of PPE	-793	-793	0
			Actuarial (gains) / losses on pension assets /			
-188,625	0	-188,625	liabilities	181,762	0	181,762
-190,753	-2,128	-188,625	Other Comprehensive Income and Expenditure	180,969	-793	181,762
-143,909	-3,842	-140,067	TOTAL COMPREHENSIVE INCOME & EXPENDITURE	220,690	-6,788	227,478

Group Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Police and Crime Commissioner, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The Movement in Reserves Statement shows how the movements in year of the Police and Crime Commissioner's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices, and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The Net Increase/(Decrease) line shows the statutory General Fund Balance movements in the year following those adjustments.

	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Police and Crime Commissioner Reserves
	£000	£000	£000	£000	£000	£000
Balance at 31 March 2019	23,642	9	0	23,651	-1,844,226	-1,820,575
Movement in reserves during 2019-2020						
Total Comprehensive Expenditure and Income Adjustments between accounting basis &	-46,844	0	0	-46,844	190,753	143,909
funding basis under regulations (Note 7)	48,365	45	0	48,410	-48,410	0
Net increase (+)/decrease (-) in 2019-2020	1,521	45	0	1,566	142,343	143,909
Balance at 31 March 2020 carried forward	25,163	54	0	25,217	-1,701,883	-1,676,666
Movement in reserves during 2020-2021						
Total Comprehensive Expenditure and Income	-39,721	0	0	-39,721	-180,969	-220,690
Adjustments between accounting basis & funding basis under regulations (Note 7)	45,435	2,030	0	47,465	-47,465	0
Net increase (+)/decrease (-) in 2020-2021	5,714	2,030	0	7,744	-228,434	-220,690
Balance at 31 March 2021 carried forward	30,877	2,084	0	32,961	-1,930,317	-1,897,356

1: The general fund balance includes those reserves that are specifically earmarked as set out in Note 8.

Group Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Police and Crime Commissioner. The net assets of the Police and Crime Commissioner (assets less liabilities) are matched by the reserves held by the Police and Crime Commissioner. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the Police and Crime Commissioner may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may be used only to fund capital expenditure or repay debt). The second category of reserves are those that the Police and Crime Commissioner is not able to use to provide services. This category of reserves includes reserves that record unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets were sold; and reserves that record timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

Chief Constable	Police & Crime Commissioner	Group		Chief Constable	Police & Crime Commissioner	Group	
	2019-2020				2020-2021		
£000	£000	£000		£000	£000	£000	
0	58,174	58,174	Land & Properties	0	58,434	58,434	
0	11,698	11,698	Vehicles, Plant, Furniture and Equipment	0	10,882	10,882	
1,738,023	0	0	Long-term Debtors to PCC (note 34)	1,962,371	0	0	
1,738,023	69,872	69,872	Long Term Assets (note 12)	1,962,371	69,316	69,316	
0	0	0	Short Term Investments (note 36)	0	6,000	6,000	
0	1,963	1,963	Assets Held for Sale (note 16)	0	1,135	1,135	
634	0	634	Inventories (note 13)	534	0	534	
894	12,577	13,471	Short Term Debtors (note 14)	1,158	8,961	10,119	
6,791	0	0	Intra Group Transfer	7,988	0	0	
0	15,514	15,514	Cash and Cash Equivalents (note 15)	0	15,868	15,868	
8,319	30,054	31,582	Current Assets	9,680	31,964	33,656	
0	-5,658	-5,658	Short Term Borrowing (note 36)	0	-535	-535	
			Short Term Creditors and Deferred Income				
-12,092	-2,341	-14,433	(note 17)	-16,419	-2,254	-18,673	
0	-810	-810	Short Term Finance Lease (note 31)	0	-877	-877	
-1,528	-5,263	0	Intra Group Transfer	-1,692	-6,296	0	
0	-190	-190	Provisions (note 18)	0	-44	-44	
-13,620	-14,262	-21,091	Current Liabilities	-18,111	-10,006	-20,129	
		-			-	-	
0	-648	-648	Provisions (note 18)	0	-727	-727	
0	-1,738,023	0	Long Term Creditor	0	-1,962,371	0	
0	-9,255	-9,255	Long Term Borrowing (note 36)	0	-8,875	-8,875	
0	-9,103	-9,103	Long Term Finance Lease (note 31)	0	-8,226	-8,226	
-1,738,023	0	0	Other long term liabilities (note 34)	-1,962,371	0	0	
			Liability Related to Defined Pension Scheme				
0	0	-1,738,023	(note 34)	0	0	-1,962,371	
-1,738,023	-1,757,029	-1,757,029	Long Term Liabilities	-1,962,371	-1,980,199	-1,980,199	
-5,301	-1,671,365	-1,676,666	Net Assets	-8,431	-1,888,925	-1,897,356	
			Financed By:				
0	25,217	25,217	Usable Reserves (notes 7 & 8)	0	32,961	32,961	
-5,301	-1,696,582	-1,701,883	Unusable Reserves (note 20)	-8,431	-1,921,886	-1,930,317	
-5,301	-1,671,365	-1,676,666	Total Reserves	-8,431	-1,888,925	-1,897,356	

Group Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Police and Crime Commissioner during the reporting period. The statement shows how the Police and Crime Commissioner generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Police and Crime Commissioner are funded by way of taxation and grant income or from the recipients of services provided by the Police and Crime Commissioner. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Police and Crime Commissioner's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Police and Crime Commissioner.

2019-2020 £000		2020-2021 £000
46,844	Net surplus (-) or deficit (+) on the provision of services	39,721
-53,701	Adjust net surplus (-) or deficit (+) on the provision of services for non-cash movements (Note 21)	-57,646
	Adjust for items included in the net surplus (-) or deficit (+) on the	
827	provision of services that are investing and financing activities	2,242
-6,030	Net cash flows from Operating Activities (Note 21)	-15,683
2,041	Investing activities (Note 22)	9,016
2,517	Financing Activities (Note 23)	6,313
-1,472	Net increase (-) or decrease (+) in cash and cash equivalents	-354
14,042	Cash and cash equivalents at the beginning of the reporting period (note 15)	15,514
15,514	Cash and cash equivalents at the end of the reporting period (Note 15)	15,868

1. Restatement of previous years Statements

There are no changes that require the restatement of the previous year's Statements.

2. Accounting Standards that have been issued but have not yet been adopted

The Code requires the Police and Crime Commissioner to disclose information relating to the impact of an accounting change that will be required by a new accounting standard that has been issued but not yet adopted by the Code. The following changes will be required from 1 April 2022:

- a) Definition of a Business: Amendments to IFRS 3 Business Combinations
- b) Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7
- c) Interest Rate Benchmark Reform Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

3. Critical Judgements in applying Accounting Policies

In applying the accounting policies set out in the Statements, the Police and Crime Commissioner has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:-

There remains uncertainty around proposed changes to the Police funding in the medium term. This necessitated a structural review which has now been implemented. There are plans in place to balance the budget in future years as set out in the medium term financial plan; however, it is not certain whether the current levels of funding will be sufficient in order to meet the resources required over the period of the medium term financial plan (MTFP) and therefore annual cycles of organisational planning will take place in line with the Financial Strategy contained in the MTFP.

4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Police and Crime Commissioner where the exact amount is not yet known. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

Items within the Group Balance Sheet as at 31 March 2021 for which there is a significant risk of material adjustment in the forthcoming year are as follows:

ltem	Uncertainties	Effect if Actual results Differ from Assumptions
Item Pensions Liability	UncertaintiesEstimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are 	Effect if Actual results Differ from Assumptions The effects on the net pension liability of changes in individual assumptions can be measured. The impact of increase or decrease in the assumptions e.g. increase or decrease in the discount rate is set out in Note 34.

5. Material Items of Income and Expenditure

All applicable material items of income and expenditure are shown on the face of the Comprehensive Income and Expenditure Statement.

6. Events after the Balance Sheet Date

Material events taking place after the reporting date but prior to the financial statements being authorised for issue are reflected in the financial statements and notes. Where events taking place provided information about conditions existing at 31 March 2021 the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

7. Adjustment between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Police and Crime Commissioner in the year to reflect the difference between General Accepted Accounting Practice (GAAP) and statutory provisions.

General Fund Balance:

The General Fund Balance is the statutory fund into which all the receipts of a Police and Crime Commissioner are required to be paid, and out of which all liabilities of the Police and Crime Commissioner are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which the liabilities and payments should impact on the General Fund Balance which is not necessarily in accordance with proper accounting practice. The General Fund Balance, therefore, summarises the resources that the Police and Crime Commissioner is statutorily empowered to spend on services or capital investment (or the deficit of resources that the Police and Crime Commissioner is required to recover) at the end of the financial year.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that are yet to be applied for these purposes at the year end.

Capital Grants Unapplied

The Capital Grants Unapplied Account (Reserve) holds the grants and contributions received towards capital projects for which the Police and Crime Commissioner has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or for the financial year in which this can take place.

		ves		
2020-2021	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments to Revenue Resources:				
Pensions costs (transferred to (or from) the pensions reserve	42,585	0	0	-42,585
Charges for depreciation and impairment of non-current assets	5,386	0	0	-5 <i>,</i> 386
Revaluation losses on Property, plant and equipment	0	0	0	0
Capital grants and contributions applied	-124	0	0	124
Holiday Pay (transferred to the accumulated absences account)	3,131	0	0	-3,131
Financial Instruments (transferred to the FIAA) Reversal of entries included in the SDPS in relation to capital expenditure	0	0	0	0
(charged to the CAA).	2,050	0	0	-2,050
Total Adjustments to Revenue Resources	53,028	0	0	-53,028
Adjustments between Revenue and Capital Resources: Transfer of Non-Current Asset sale proceeds from revenue to the capital				
receipts reserve	-2,118	2,118	0	0
Statutory provision for repayment of debt	-2,629	0	0	2,629
Capital expenditure financed from revenue balances	-2,846	0	0	2,846
Total Adjustments between Revenue and Capital Resources	-7,593	2,118	0	5,475
Adjustments to Capital Resources:				
Application of capital grants to finance capital	0	0	0	0
Use of the Capital Receipts Reserve to finance new capital expenditure	0	-88	0	88
Cash payments in relation to deferred capital receipts	0	0	0	0
Total Adjustments to Capital Resources	0	-88	0	88
Total Adjustments	45,435	2,030	0	-47,465

2019-2020	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
Adjustments to Revenue Resources:				
Pensions costs (transferred to (or from) the pensions reserve	47,725	0	0	-47,725
Charges for depreciation and impairment of non-current assets	6,354	0	0	-6,354
Revaluation losses on Property, plant and equipment	0	0	0	0
Capital grants and contributions applied	-472	0	0	472
Holiday Pay (transferred to the accumulated absences account)	833	0	0	-833
Financial Instruments (transferred to the FIAA) Reversal of entries included in the SDPS in relation to capital expenditure (charged to the CAA).	0	0	0	0 -380
Total Adjustments to Revenue Resources	54,820	0	0	-54,820

2019-2020 (Continued)	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments between Revenue and Capital Resources: Transfer of Non-Current Asset sale proceeds from revenue to the capital				
receipts reserve	-355	355	0	0
Statutory provision for repayment of debt	-2,369	0	0	2,369
Capital expenditure financed from revenue balances	-3,731	0	0	3,731
Total Adjustments between Revenue and Capital Resources	-6,455	355	0	6,100
Adjustments to Capital Resources:				
Application of capital grants to finance capital	0	0	0	0
Use of the Capital Receipts Reserve to finance new capital expenditure	0	-310	0	310
Cash payments in relation to deferred capital receipts	0	0	0	0
Total Adjustments to Capital Resources	0	-310	0	310
Total Adjustments	48,365	45	0	-48,410

8. Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet expenditure in 2020-2021. The net movement in 2020-2021 was £5.486m increase.

Reserve:	Balance at 31 March 2019 £'000	Transfers Out 2019- 2020 £'000	Transfers In 2019- 2020 £'000	Balance at 31 March 2020 £'000	Transfers Out 2020- 2021 £'000	Transfers In 2020- 2021 £'000	Balance at 31 March 2021 £'000
Capital Reserve	2,060	-801	1,743	3,002	0	0	3,002
Pensions ill health reserve	2,000 915	-801	200	1,115	-140	0	3,002 975
PFI Reserve	4,333	-1,200	44	3,177	-71	0	3,106
Major Incident Reserve	2,435	1,200	0	2,435	0	0	2,435
Insurance Reserve	1,173	0	0	1,173	0	0	1,173
Estates Security and Maintenance	1,033	-131	1,377	2,279	-490	103	1,892
Partnerships Balances Reserve	653	0	21	674	-50	109	733
Management of Change Reserve	5,949	-659	0	5,290	-259	1,945	6,976
Training Reserve	0	0	100	100	0	500	600
Uplift Reserve	0	0	0	0	0	1,577	1,577
Emergency Service Network	0	0	0	0	0	158	158
COVID and COVID Recovery	0	0	0	0	0	597	597
PEQF	0	0	0	0	0	325	325
FCIN	0	0	0	0	0	1,080	1,080
Commissioners Community Safety Fund	461	0	49	510	-89	87	508
Legal Reserve (OPCC)	56	0	0	56	0	54	110
Office of the Police & Crime Commissioner Reserve	182	-19	0	163	0	50	213
	19,250	-2,810	3,534	19,974	-1,099	6,585	25,460

9. Other Operating Expenditure

	2020-2021	2019-2020
	£000	£000
Gains (-)/losses(+) on the disposal of non-current assets	-69	25
	-69	25

10. Financing and Investment Income and Expenditure

	2020-2021	2019-2020
	£000	£000
Interest payable and similar charges	1,027	1,055
Pension interest cost and expected return on pensions assets	39,171	46,193
Interest receivable and similar income	-7	-129
	40,191	47,119

11. Taxation and Non Specific Grant Incomes

	2020-2021	2019-2020
Council Tax Income:	£000	£000
Denbighshire County Council	-11,704	-11,098
Wrexham County Borough Council	-15,540	-14,856
Isle of Anglesey County Council	-9,164	-8,780
Gwynedd Council	-15,088	-14,441
Conwy County Borough Council	-14,734	-13,968
Flintshire County Council	-18,760	-17,887
Non Domestic Rates Income	-11,548	-11,841
Non-ringfenced government grants	-67,166	-61,393
Capital Grants and contributions	-124	-472
	-163,828	-154,736

12. Property, Plant and Equipment

Movements in 2020-2021	Land & Building Inc. PFI	Masts & Sites	Plant & Equipment	Vehicles	Total Operational Assets	Surplus Assets (Non Operational) *	Assets under construction	Total Non Operational	Total Non Current Assets
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation									
At 1 April 2020	80,098	100	21,627	10,209	112,034	0	100	100	112,134
Additions	209	0	1,424	1,146	2,779	0	2,479	2,479	5,258
Revaluation Increases (+)/decreases (-)									
recognised in the Revaluation Reserve	-1,166	0	0	0	-1,166	1,345	0	1,345	179
Revaluation Increases (+)/decreases (-)									
recognised in the Surplus/Deficit on the									
Provision of Services	-86	0	0	0	-86	0	0	0	-86
Derecognition - disposals	0	0	0	-1,487	-1,487	0	0	0	-1,487
Other movements in cost or valuation	-501	0	-732	0	-1,233	501	732	1,233	0
Assets reclassified (to)/from held for sale	0	0	0	0	0	-1,135	0	-1,135	-1,135
At 31 March 2021	78,554	100	22,319	9,868	110,841	711	3,311	4,022	114,863
Accumulated Depreciation and									
Impairment									
At 1 April 2020	-22,024	-100	-13,593	-6,545	-42,262	0	0	0	-42,262
Depreciation Charge	-978	0	-3,007	-1,312	-5,297	0	0	0	-5,297
Depreciation written out to the	612	0	0	0	612	0	0	0	612
Revaluation Reserve	012	U	0	_		Ŭ	U	J	-
Derecognition - disposals	0	0	0	1,400	1,400	0	0	0	1,400
At 31 March 2021	-22,390	-100	-16,600	-6,457	-45,547	0	0	0	-45,547
Net Book Value									
At 31 March 2021	56,164	0	5,719	3,411	65,294	711	3,311	4,022	69,316
At 31 March 2020	58,074	0	8,034	3,664	69,772	0	100	100	69,872

* these include 4 small Police Stations which are no longer operational but which do not reach the specific Assets Held for Sale (Note 16) criteria

Movements in 2019-2020	Land & Building Inc. PFI	Masts & Sites	Plant & Equipment	Vehicles	Total Operational Assets	Police Houses (Non Operational)	Assets under construction	Total Non Operational	Total Non Current Assets
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation									
At 1 April 2019	76,353	105	49,663	11,599	137,720	294	1,707	2,001	139,721
Additions	466	0	3,651	1,671	5,788	0	586	586	6,374
Revaluation Increases (+)/decreases (-)									
recognised in the Revaluation Reserve	1,208	0	0	0	1,208	0	0	0	1,208
Revaluation Increases (+)/decreases (-)									
recognised in the Surplus/Deficit on the									
Provision of Services	0	0	0	0	0	0	0	0	0
Derecognition - disposals	-122	0	0	-989	-1,111	-294	0	-294	-1,405
Derecognition - other	0	-5	-31,687	-2,072	-33,764	0	0	0	-33,764
Other movements in cost or valuation	2,193	0	0	0	2,193	0	-2,193	-2,193	0
Assets reclassified (to)/from held for sale	0	0	0	0	0	0	0	0	0
At 31 March 2020	80,098	100	21,627	10,209	112,034	0	100	100	112,134

Movements in 2019-2020 (continued)	Land & Building Inc. PFI	Masts & Sites	Plant & Equipment	Vehicles	Total Operational Assets	Police Houses (Non Operational)	Assets under construction	Total Non Operational	Total Non Current Assets
Accumulated Depreciation and									
Impairment									
At 1 April 2019	-20,094	-105	-42,999	-8,386	-71,584	-34	0	-34	-71,618
Depreciation Charge	-1,005	0	-2,281	-1,214	-4,500	-8	0	-8	-4,508
Depreciation written out to the	921	0	0	0	921	0	0	0	921
Revaluation Reserve	521	Ũ	Ũ	Ũ	5=1	Ũ	Ũ	Ŭ	5=1
Depreciation written out to									
Surplus/Deficit on the Provision of	0	0	0	0	0	0	0	0	0
Services									
Impairment losses (-)/reversals (+)	0	0	0	0	0	0	0	0	0
recognised in the Revaluation Reserve	· ·	Ũ	Ŭ	Ū	·	Ū	, C	·	•
Impairment losses (-)/reversals (+)									
recognised in the Surplus/Deficit in the	-1,846	0	0	0	-1,846	0	0	0	-1,846
Provision of Services #									
Derecognition - disposals	0	0	0	983	983	42	0	42	1,025
Derecognition - other	0	5	31,687	2,072	33,764	0	0	0	33,764
At 31 March 2020	-22,024	-100	-13,593	-6,545	-42,262	0	0	0	-42,262
<u>Net Book Value</u>									
At 31 March 2020	58,074	0	8,034	3,664	69,772	0	100	100	69,872
At 31 March 2019	56,259	0	6,664	3,213	66,136	260	1,707	1,967	68,103

This mainly relates to the valuation of the new Wrexham DHQ facility at Llay, and is as a result of the valuation method used to calculate the asset's Existing Use Value as opposed to its capital cost of construction.

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

Other Land and Buildings	35-60 years
Vehicles, Plant, Furniture and Equipment	3-10 years

Capital Commitments

As at 31 March 2021, the Police and Crime Commissioner was contractually committed to capital works on Land and Buildings which amounted to £0.058 million, which related to the refurbishment of Pwllheli Police Station.

Effects of Changes in Estimates

There were no material changes to the method of estimation.

Revaluations

All of the Police and Crime Commissioner's properties were revalued at 1st of April 2014. Subsequently a rolling programme of valuations is undertaken ensuring that all properties are revalued once within the statutory 5 year cycle, the first full cycle having been completed in 2020-2021.

Operational properties were valued using Net Realisable Value in Existing Use and Depreciated Replacement Cost. Nonoperational properties were valued using Fair Value where available. The valuation also included a review of the useful lives of the assets. The change in useful life has had no material financial effect on the accounts. The valuation was undertaken by an independent valuer, Mr G.S.C. Harbord MA MRICS IRRV (Hons) of Wilks Head & Eve Chartered Surveyors. The valuers made the following commentary in their 2019-2020 report – 'Our review (and any valuations completed during 2019-20) is reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty –and a higher degree of caution –should be attached to our review/valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of portfolio under frequent review.' However, the 2020-2021 report states that 'as at the commentary date property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our commentary is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation –Global Standards'.

13. Inventories

	HQ Stores		Other Stores		Total
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021
	£0	£0	£0	£0	£0
Balance held at start of year	263	217	371	468	634
Purchases	497	520	292	336	789
Recognised as an expense in the year	-504	-474	-383	-433	-887
Written off balances	-2	0	0	0	-2
Balance held at year end	254	263	280	371	534

The national police distribution hub has been supplying Personal Protective Equipment free of charge to all Forces, this was valued at £0.055m as at 31.3.2021 and is not included in the Balance Sheet figure.

14. Debtors and Payments in Advance

	2020-2021	2019-2020
	£000	£000
Amounts falling due in one year -		
Trade Receivables	7,526	5,000
Prepayments	1,158	894
Other receivable amounts	1,435	7,577
	10,119	13,471

15. Cash and Cash Equivalents

The balance of cash and cash equivalents is made up of the following elements:

	2020-2021	2019-2020
	£000	£000
Bank Current Accounts	-1,220	8,445
Cash held by the Police and Crime Commissioner	40	40
Short Term Deposits with Banks /Building Societies	17,048	7,029
	15.868	15.514

16. Assets Held for Sale

The assets which are held for sale by the Police and Crime Commissioner are surplus police properties. The balance brought forward from 2019-2020 relates to the sale of the former DHQ and Police Station site in Wrexham, the sale

of which was completed in 2020-2021.

	Current		Non-Current	
	2020-2021	2019-2020	2020-2021	2019-2020
	£000	£000	£000	£000
Balance outstanding at start of year	1,963	1,963	0	0
Assets newly classified as held for sale:				
Property, Plant and Equipment	1,135	0	0	0
Revaluation gains	0	0	0	0
Assets sold	-1,963	0	0	0
Balance outstanding at year-end	1,135	1,963	0	0

17. Creditors and Deferred Income

	2020-2021 £'000	2019-2020 £'000
	£ 000	£ 000
Amounts falling due in one year -		
Trade payables	5,320	4,448
Other payables	12,071	8,703
Short Term Creditors	17,391	13,151
Deferred Income	1,282	1,282
	18,673	14,433

18. Provisions

The Police and Crime Commissioner has made provision in the accounts for two purposes. The first is for insurance claims. The Force has external insurance in respect of public and employer's risk. The Insurance Fund provides for payments that may be due in the next or following years on the basis of known claims at the 31 March 2021.

The value will fluctuate during the year as some claims are settled and new claims are received. The Insurance Fund can be split into two specific provisions:

(i) Outstanding Legal Cases

The Police and Crime Commissioner has currently no legal cases in progress.

(ii) Injury Compensation Claims

The injury compensation claims relate to personal injuries sustained where the Police and Crime Commissioner is alleged to be at fault. Provision is made for those claims where it is deemed probable that the Police and Crime Commissioner will have to make a settlement, based on past experience of court decisions about liability and the amount of damages payable. The Police and Crime Commissioner may be reimbursed by its insurers, but until claims are actually settled, no income is recognised as the insurers will reimburse amounts only above the excess amounts, which are £100,000 for incidents prior to 1 April 2018, £150,000 for incidents between 1 April 2018 to 31 March 2019, £250,000 for incidents between 1 April 2019 to 31 March 2021.

The second purpose is other provisions:

Other Provisions

The Other Provisions are in respect of employment cases and other managed risks.

	Injury and Damage Compensation Claims £000	Other Provisions £000	Total £000
Balance at 1 April 2020	538	300	838
Additional Provisions made in 2020-2021	310	34	344
Amounts Used in 2020-2021	-188	0	-188
Unused Amounts Reversed in 2020-2021	-222	-1	-223
Balance at 31 March 2021	438	333	771

Within the total of £0.771 million, £0.044 million relates to short term provisions and £0.727 million relates to long term provisions.

19. Usable Reserves

Movements in the Police and Crime Commissioner's usable reserves are detailed in the Movement in Reserves Statement and Notes 7 and 8.

20. Unusable Reserves

	2020-2021	2019-2020
	£000	£000
Revaluation Reserve	21,155	21,449
Capital Adjustment Account	19,330	19,992
Pensions Reserve	-1,962,371	-1,738,023
Accumulated Absences Account	-8,431	-5,301
Total Unusable Reserves	-1,930,317	-1,701,883

Revaluation Reserve

The Revaluation Reserve contains the unrealised gains recorded by the Police and Crime Commissioner arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost
- Used in the provision of services and the gains are consumed through depreciation, or
- Disposed of and the gains are realised

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	2020-2021	2019-2020
	£000	£000
Balance at 1 April	21,449	19,823
Upward revaluation of assets	1,627	2,644
Downward revaluation of assets and impairment losses not charged to the		
Surplus/Deficit on the Provision of Services	-836	-516
	22,240	21,951
Surplus (-) or deficit (+) on revaluation of non-current assets not posted to		
the Surplus or Deficit on the Provision of Services	0	0
Difference between fair value depreciation and historical cost depreciation	-220	-226
Accumulated gains on assets sold or scrapped	-862	-293
Amount written off to the Capital Adjustment Account	-3	17
Balance at 31 March	21,155	21,449

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement; as depreciation, impairment losses and amortisation are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The account is credited with the amounts set aside by the Police and Crime Commissioner as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Police and Crime Commissioner.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 7 provides details of the source of all the transactions posted to the Account, except for those involving the Revaluation Reserve.

	2020-2021 £000	2019-2020 £000
Balance at 1 April	19,992	19,342
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement		
Charges for depreciation and impairment of non-current assets Amounts of non-current assets written off on disposal or sale as part of the gain/loss on	-5,386	-6,354
disposal to the Comprehensive Income and Expenditure Statement	-2,049	-380
	-7,435	-6,734
Adjusting amount written out of the Revaluation Reserve	1,085	502
Capital financing applied in the year:		
Use of the Capital Receipts Reserve to finance new capital expenditure Capital grants and contributions credited to the Comprehensive Income and Expenditure	88	310
Statement that have been applied to capital financing	124	472

	2020-2021	2019-2020
(Continued)	£000	£000
Capital Expenditure charged in year to the General Fund Statutory provision for the financing of capital investment charged against the General	2,846	3,731
Fund balances	2,629	2,369
	6,772	7,384
Balance at 31 March	19,329	19,992

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for postemployment benefits and for funding benefits in accordance with statutory provisions. The Police and Crime Commissioner accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Police and Crime Commissioner makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore show a substantial shortfall in the benefits earned by past and current employees and the resources the Police and Crime Commissioner has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	2020-2021 £000	2019-2020 £000
Balance at 1 April	-1,738,023	-1,878,923
Remeasurements of the net defined benefit liability(-)/asset (+)	-181,762	188,625
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	-71,205	-73,267
Employer's pension contributions and direct payments to pensioners payable in the year	28,619	25,542
Balance at 31 March	-1,962,371	-1,738,023

Deferred Capital Receipts Reserve

The Police and Crime Commissioner has no deferred capital receipts.

Accumulated Absences Account

The Accumulated Absences Account absorbs the difference that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March 2021. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	2020-2021	2019-2020
	£'000	£'000
Balance at 1 April	-5,301	-4,468
Settlement or cancellation of accrual made at the end of the preceding year	0	0
Amounts accrued at the end of the current year	-3,130	-833
	-8,431	-5,301
Amount by which officer remuneration charged to the Comprehensive Income		
and Expenditure Statement on an accruals basis is different from remuneration	0	0
chargeable in the year in accordance with statutory requirements		
Balance at 31 March	-8,431	-5,301

21. Cash Flow Statements - Adjustment on Provision of Services for Non cash movement, investing and financing activities and total Cash Flow from Operating Activities

Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

	2020-2021	2019-220
	£000	£000
Interest received	-6	-109
Interest paid	986	1,011
Total	980	902

	2020-2021	2019-2020
Adjustments on the Provision of Services for Non cash movements:		
	£000	£000
Depreciation, impairments and downward valuations	-5,386	-6,354
Net increase (-)/decrease (+) in revenue creditors	-4,240	34
Net increase (+)/decrease(-) in revenue debtors	-3,353	741
Net increase (+)/decrease(-) in inventories	-99	-51
Pension liability	-42,585	-47,725
Contributions to(-)/from (+) provisions	67	34
Carrying amount of non-current assets sold (PPE, Inv. Prop, Intangibles)	-2,050	-380
Total Non-Cash Movement	-57,646	-53,701

Adjustments on the Provision of Services for items that are investing and financing activities:	2020-2021	2019-2020
	£000	£000
Capital Grants credited to surplus(-)/deficit (+) on provision of services	124	472
Proceeds on sale of PPE and investment and intangibles	2,118	355
Total	2,242	827

Net Cash Flow from Operating Activities Total	-15,683	-6,030

22. Cash Flow Statement - Investing Activities

	2020-2021	2019-2020
	£000	6000
	£000	£000
Purchase of PPE, Investment Property and Intangible Assets	5,258	6,375
Proceeds from sale of PPE, Investment Property and Intangible Assets	-2,118	-355
Proceeds from short-term and long-term investments	0	-3,507
Purchase of short-term investments	6,000	0
Capital Grants	-124	-472
Net Cash Flows from Investing Activities	9,016	2,041

23. Cash Flow Statement - Financing Activities

	2020-2021	2019-2020
	£000	£000
Cash receipts of short-term and long-term borrowing	0	-15,000
Cash payments for the reduction of the outstanding liabilities relating to		
finance leases and on-balance sheet PFI contracts	810	748
Repayment of short-term and long-term borrowing	5,503	16,769
Net Cash Flows from Financing Activities	6,313	2,517

24. Notes to the Expenditure and Funding Analysis

Adjustments between Funding and Accounting Basis 2020-2021								
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Adjustments	Total Adjustments				
	(Note 1)	(Note 2)	(Note 3)					
Police & Crime Commissioner	-89	0	0	-89				
Chief Constable	0	3,414	3,131	6,545				
Net Cost of Service	-89	3,414	3,131	6,456				
Other income and expenditure from the Expenditure Funding Analysis	-192	39,171	0	38,979				
Difference between the General Fund surplus/deficit and the Comprehensive Income and Expenditure Statement								
surplus/deficit on the provision of services	-281	42,585	3,131	45,435				

Adjustments between Funding and Accounting Basis 2019-2020									
Adjustments from	Adjustments	Net change	Other	Total					
General Fund to arrive	for	for the	Adjustments	Adjustments					
at the Comprehensive	Capital	Pensions							
Income and Expenditure	Purposes	Adjustments							
Statement amounts									
	(Note 1)	(Note 2)	(Note 3)						
Police & Crime Commissioner	254	0	0	254					
Chief Constable	0	1,532	833	2,365					
Net Cost of Service	254	1,532	833	2,619					
Other income and expenditure from the Expenditure									
Funding Analysis	-447	46,193	0	45,746					
Difference between the General Fund surplus/deficit and									
the Comprehensive Income and Expenditure Statement									
surplus/deficit on the provision of services	-193	47,725	833	48,365					

Note 1: Adjustments for Capital Purposes

This column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets;

Financing and investment income and expenditure – the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices;

Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions were satisfied in the year.

Note 2: Net change for pension adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

For **services** this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs;

For **Financing and investment income and expenditure** — the net interest on the defined benefit liability is charged to the CIES.

Note 3: Other adjustments

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

For **Financing and investment income and expenditure** the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts;

The charge under **Taxation and non-specific grant income and expenditure** represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference and any difference will be brought forward in future Surpluses or Deficits on the General Fund.

25. Members' Allowances

Audit Committee's costs have been shared equally between the Police and Crime Commissioner and the Chief Constable.

As at the end of March 2021 there were a total of 4 members.

	202	0-2021	2019-2020		
		Number of		Number of	
	£000	Members	£000	Members	
Allowances	10	4	11	4	
Expenses	0	·	0	·	
	10		11		

Further information on members' paid allowances can be found at <u>www.northwales-pcc.gov.uk</u>.

26. Officers' Remuneration

The following table set out the remuneration disclosures for Relevant Police Officers (defined as the Chief Constable and any Senior Police Officers and staff with a full time salary of more than £150,000 per year or other relevant officers with a salary above £60,000). Within the tables below the Chief Constable, Deputy Chief Constable, Assistant Chief Constable, Director of Finance and Resources and the Force Medical Officer costs are charged to the Chief Constable's Accounts. The Police and Crime Commissioner, Deputy Police and Crime Commissioner, Chief Executive Officer and Chief Finance Officer costs are charged to the Police and Crime Commissioner's Accounts. Other Senior Police Officers (above the rank of Superintendent) and Senior Employees (designated office holder of a local government body) are included Remuneration Banding table.

2020-2021 Post Holder:	Notes:	Salary (including fees & allowances)	Bonuses	Expense Allowance	Other Expenses	Benefits in kind	Total remuneration excluding pension contributions	Pension contributions	Total remuneration including pension contributions
		£	£	£	£	£	£	£	£
Chief Constable - C. Foulkes		155,809	0	5,168	6,469	6,940	174,386	48,301	222,687
Deputy Chief Constable		124,824	0	0	0	6,726	131,550	37,941	169,491
Assistant Chief Constable		118,009	0	20	0	5,858	123,887	36,583	160,470
Assistant Chief Constable	1	83,181	0	0	0	5,780	88,961	22,342	111,303
Director of Finance & Resources		101,915	0	0	0	8,396	110,311	19,364	129,675
Police & Crime Commissioner		71,400	0	0	0	0	71,400	13,566	84,966
Deputy Police and Crime Commissioner	2	6,156	0	371	6,228	0	12,755	1,103	13,858
Chief Executive Officer of the Police & Crime Commissioner		87,021	0	428	0	0	87,449	16,534	103,983
Chief Finance Officer of the Police & Crime Commissioner	3	42,925	0	0	0	0	42,925	8,156	51,081
Force Medical Officer - Dr. A. Lister	4,5	18,069	0	0	0	0	18,069	2820	20,889

Note 1: The post holder held this post from 01/04/2020 to 17/01/2021 (Collaboration ACC – see Note 39)

Note 2: The post holder held this post from 01/04/2020 to 14/05/2020

Note 3: The Chief Finance Officer works part time, full time equivalent salary is £73,875

Note 4: The post holder held this post from 01/04/2020 to 28/08/2020

Note 5: The Force Medical Officer works the equivalent of 1 day per week. The full time equivalent salary is £181,614

2019-2020 Post Holder:	Notes:	Salary (including fees & allowances)	Bonuses	Expense Allowance	Other Expenses	Benefits in kind	Total remuneration excluding pension contributions	Pension contributions	Total remuneration including pension contributions
		£	£	£	£	£	£	£	£
Chief Constable - C. Foulkes		153,200	0	62	19,735	3,519	176,516	47,492	224,008
Deputy Chief Constable		121,839	0	18	0	3,718	125,575	37,016	162,591
Assistant Chief Constable	1	8,027	0	480	0	94	8,601	2,106	10,707
Assistant Chief Constable	2	101,853	0	37	0	2,087	103,977	31,574	135,551
Assistant Chief Constable	3	30,187	0	0	0	1,629	31,816	8,131	39,947
Director of Finance & Resources	4	62,668	0	2,127	1,835	0	66,630	9,426	76,056
Director of Finance & Resources	5	37,111	0	0	0	2,381	39,492	6,049	45,541
Police & Crime Commissioner		71,400	0	2,886	0	0	74,286	11,638	85,924
Deputy Police and Crime Commissioner		47,493	0	1,359	0	0	48,852	7,741	56,593
Chief Executive Officer of the Police & Crime Commissioner		84,908	0	908	0	0	85,816	13,840	99,656
Chief Finance Officer of the Police & Crime Commissioner	6	40,979	0	376	0	0	41,355	6,679	48,034
Force Medical Officer - Dr. A. Lister	7	35,954	0	0	0	0	35,954	5,860	41,814

Note 1: The post holder held this post from 01/04/2019 to 28/04/2019

Note 2: The post holder held this post from 29/04/2019 to 31/03/2020

Note 3: The post holder held this post from 16/12/2019 to 31/03/2020 (Collaboration ACC – see Note 39)

Note 4: The post holder held this post from 01/04/2019 to 31/10/2019

Note 5: The post holder held this post from 18/11/2019 to 31/03/2020 (Head of Finance deputised for Director of Finance

and Resources from 01/11/2019 to 17/11/2019 as part of normal duties)

Note 6: The Chief Finance Officer works part time, full time equivalent salary is $\pm 68,298$

Note 7: The Force Medical Officer works the equivalent of 1 day per week. The full time equivalent salary is £179,770

2020-2021

The Police and Crime Commissioner's and Chief Constable's other employees receiving more than £60,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

Remuneration Bands	Number of Employees	Number of Employees
	2020-2021	2019-2020
£60,000 - £64,999	25	27
£65,000 - £69,999	9	9
£70,000 - £74,999	7	6
£75,000 - £79,999	4	4
£80,000 - £84,999	4	4
£85,000 - £89,999	6	2
£90,000 - £94,999	1	1
£95,000 - £99,999	2	1
£100,000 - £104,999	1	0

The number of exit packages with total cost per band and the total cost of the compulsory and other redundancies are set out in the table below:

Exit packages cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band			st of exit s in each nd
	2019-	2020-	2019-	2020-	2019-			2020-
	2020 No.	2021 No.	2020 No.	2021 No.	2020 No.	2021 No.	2020 £000	2021 £000
£0 - £20,000	0	2	7	6	7	8	20	45
£20,001 - £40,000	0	0	0	0	0	0	0	0
£40,001 - £60,000	0	1	0	0	0	1	0	53
£60,001 - £80,000	0	0	0	1	0	1	0	75
£ 80,001 and above	0	0	1	8	1	8	83	707

Median Pay Ratio

The median pay ratio for the Police and Crime Commissioner compares the full time equivalent remuneration of the Chief Executive to the full time equivalent median remuneration of the staff employed by the Police and Crime Commissioner. The median pay ratio for the Chief Constable compares the remuneration of the Chief Constable to the full time equivalent median remuneration of the staff employed by the Chief Constable.

	2020-2021	2019-2020
Chief Executive's pay	87,021	84,908
Median pay of the Police & Crime Commissioner's staff	35,999	34,254
Median pay ratio:	2.4	2.5
Chief Constable's pay	169,218	176,454
Median pay of the Chief Constable's staff	33,388	33,409
Median pay ratio:	5.1	5.3

We have used the Median Pay of the Chief Constable as he is the highest ranking officer for this ratio. The Force Medical Officer is employed part-time and full time equivalent costs is £181,614. We have not used the Force Medical Officer's full time equivalent costs for this ratio as they are not the highest ranking officer.

27. External Audit Costs

The Police and Crime Commissioner has incurred the following costs in relation to the audit of the Statement of Accounts and certification of grant claims:

	2020-2021			2019-2020		
	Group	PCC	СС	Group	PCC	СС
	£000	£000	£000	£000	£000	£000
Fees payable to the Wales Audit Office with regard to external audit services carried out by the appointed auditor	84	42	42	86	43	43
Total	84	42	42	86	43	43

The above represents payments made within the financial year 2020-2021. The agreed strategy fee for the audit year November 2020 to October 2021 was £83,699 for 2020-2021.

28. Grant Income

The Police and Crime Commissioner credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2020-2021.

	2020- 2021	2019- 2020
Credited to Taxation and Non-specific Grant Income	£0	£0
Home Office Capital Grant	124	472
Home Office Police Grant and Floor Grant	56,100	50,738
Revenue Support Grant	11,066	10,655
Share of Non domestic Rates Grant	11,548	11,841
Total	78,838	73,706

	2020- 2021	2019- 2020
Credited to Services	£021	£020
CRB Criminal Records	698	657
Speed Reduction	1,014	1,005
Community Support Officers Welsh Government	3,530	3,384
School Liaison Programme	389	391
Ace Funding	0	247
PFI Grant	1,245	1,298
Cyber Grant	180	124
Proceeds of Crime Acts	154	241
Security Grants	2,424	2,313
PCC Safer Streets Grant	993	0
Drug Intervention Programme (DIP)	511	478
Victims Commissioning/Services	2,410	1,223
Officer Uplift Grant	1,731	297
Pension Grant	1,582	1,582
Police Apprenticeship Grant	205	0
Covid PPE Grant	422	0
Covid Surge Grant OT	309	0
Income Loss Recovery Scheme	140	0
Covid Surge Grant	598	0
ESN HO Grant	158	0
Taser Grant	103	0
Other Grants	224	234
Within cost of services in Comprehensive Income & Expenditure Statement	19,020	13,474

29. Related Parties

There are no material interests or relationships of the Chief Officers or their direct families, which could influence or control the decision making, policies or financial transactions of North Wales Police/Police and Crime Commissioner. A robust process is also in place to approve and register the business interests of both police staff and officers.

Relating to Arfon Jones, who was Police and Crime Commissioner during 2020-2021:

• The Police and Crime Commissioner was a Director of BlueLight Commercial, which is owned by its members including policing bodies and other blue light sector organisations such as the College of Policing and

National Crime Agency. Every Police and Crime Commissioner in England and Wales is a member of BlueLight Commercial;

• The Police and Crime Commissioner's wife is a serving Councillor for Wrexham Council and is a member of the Planning Committee, Safeguarding and Wellbeing Scrutiny Committee, Corporate Land and Buildings Committee, Licensing Committee and Community Health Council. For further information regarding funding allocated to Wrexham Council please see relevant Decision Notices published on the OPCC's website.

The Police and Crime Commissioner charges Denbighshire County Council, Abergele Town Council, North Wales Joint Branch Board, Tunnel and Network Services and Victim Support in respect of joint occupancy of buildings.

The Chief Constable is a trustee of both PACT (North Wales Police and Community Trust) and Dangerpoint. The Force allocates funding from income received via the Police Property Fund Account in support of PACT projects whose objectives are to raise the profile of community safety, significantly minimise the fear of crime and thus enhance the quality of life throughout North Wales. For 2020-2021 this equated to £17,400 donated from the fund to PACT contributing towards meeting the costs of the Fund administration of £46,774.

The Police and Crime Commissioner and Chief Constable participate in a partnership with HMPPS and provide funding to support the 'Dechrau Newydd' project in North Wales. This dual partnership is to reduce drug related offending and deaths through community provision and support.

Members of the Joint Audit Committee declared all their financial interests relating to contracts and businesses on appointment and signed an agreement to abide by the Seven Nolan Principles of Life and declare any revised interests to the Chief Executive. Joint Audit Committee members' declarations of interests can be found on the Office of the Police and Crime Commissioner's website <u>www.northwales-pcc.gov.uk</u>

30. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and the PFI contract), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets held by the Police and Crime Commissioner, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Police and Crime Commissioner that has yet to be financed. The CFR is analysed in the second part of this note.

	2020-2021 £000	2019-2020 £000
Opening Capital Financing Requirement	30,395	30,903
Capital Investment		
Property, Plant and Equipment	5,258	6,374
Intangible Assets	0	0
Revenue Expenditure funded from Capital under Statute	0	0
Sources of Finance		
Capital Receipts	-88	-310
Government Grants and other contributions	-123	-472
Sums set aside from revenue	0	-1,460
Direct revenue contributions	-2,846	-2,271
MRP Principal	-2,630	-2,369
Closing Capital Financing Requirement	29,966	30,395

	2020-2021	2019-2020
	£000	£000
Increase (+)/decrease (-) in underlying need to borrow (unsupported by		
government financial assistance)	381	240
Assets acquired under finance leases	0	0
Assets acquired under PFI/PPP contracts	-810	-748
Increase (+)/decrease(-) in Capital Financing Requirement	-429	-508

31. Leases

Finance Lease including Private Finance Initiative (PFI)

The PFI contract was signed in September 2002. The contract provides a serviced facility comprising a Divisional Headquarters, Police Station, Custody Block and a Scientific Support and Major Incident block in the St Asaph Business Park. The facility became operational in March 2004. The contract lasts for 25 years, and there are options available to take ownership of the building when the contract expires. The contract provides for a review of pricing in relation to the service charge element to be carried out at 5 yearly intervals. Negotiations have resulted in an agreed reduction of £0.113 million in service charge from 1 April 2019. The Force was awarded notional credit approval of £19.623 million for the scheme, which results in £36.7 million of additional revenue funding over the life of the contract. The contracted commitment on the remaining life of the contract is £21.407 million (2019-2020 £26.594 million).

Value of asset held for PFI

The PFI Asset has been assessed under current Accounting requirements and is included as part of the Police and Crime Commissioner's Asset portfolio on the Balance Sheet (see Note 12). The asset was revalued as at 31 March 2019 as part of the Asset Portfolio. The table below summarises the movement in the PFI asset value.

PFI	£000
Gross Value as at 31 of March 2020	18,454
Cumulative Depreciation to 31.3.2020	-2,334
Depreciation 2020-2021	-335
Total Depreciation to 31.3.2021	-2,669
Net Book Value as at 31 of March 2021	15,785

Value of Liability

PFI	£000
Value as at 31 of March 2020	9,913
Capital Repayment	-810
Net Value as at 31 of March 2021	9,103

Total payments to be made over the life of the contract

PFI	
Amount due within 1 year	2,908
Due within 2 to 5 years	
Due within 6 to 10 years	
Total	21,407

Operating Leases

Rentals paid under agreements for rental properties totalled £280,000 in 2020-21. The future minimum lease payments due under non-cancellable leases in future years are:

Rental Agreements	£000
Amount due within 1 year	200
Due within 2 to 5 years	268
Due within 6 to 10 years	54
Total	522

32. Impairment Losses

The Code requires disclosure by class of assets of the amounts for impairment losses and impairment reversals charged to the Surplus or Deficit on the Provision of Services and Other Comprehensive Income and Expenditure. These disclosures are consolidated in Note 12 reconciling the movement over the year in the Property, Plant and Equipment and Intangible Asset balances.

33. Termination Benefits

The Police and Crime Commissioner utilised the following regulations in respect of termination benefits:

- the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) and
- the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

and terminated the contracts of a number of employees in 2020-2021 incurring costs of £0.880 million (2019-2020 £0.103 million) as disclosed in note 26.

34. Defined Benefits Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Police and Crime Commissioner offers retirement benefits. Although these benefits will not actually be payable until employees retire the Police and Crime Commissioner has a commitment to make the payments (for those benefits) and to disclose them at the time employees receive their future entitlement.

The Police and Crime Commissioner participates in two pension schemes:

- The Local Government Pension Scheme for Police Staff and the Office of the Police and Crime Commissioner is administered by Gwynedd Council. This is a funded defined benefit final salary scheme, meaning that the Police and Crime Commissioner and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities to investment assets. The Police and Crime Commissioner and Chief Constable are one scheduled body within the LGPS and are not split in the accounts.

The Gwynedd Pension Fund is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the Pensions Committee of Gwynedd Council. Policy is determined in accordance with the Pensions Fund regulations. The investment managers of the fund are appointed by the committee.

The principal risks to the Police and Crime Commissioner of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (e.g. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the General Fund the amounts required by statute as described in the accounting policies note.

Arrangements for the award of discretionary post-retirement benefits upon early retirement – this is an unfunded defined benefit arrangement, under which the liabilities are recognised when awards are made.

- The Police Pension Scheme for Police Officers. This is an unfunded defined benefit final salary scheme, meaning that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pensions fund for the year is less than the amounts payable, the Police and Crime Commissioner must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by central government pension top-up grant. If however the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the Police and Crime Commissioner who then must repay the amount to central government.

Transactions Relating to Post Employment Benefits:

The Police and Crime Commissioner recognises the cost of retirement benefits in the reported cost of services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

The Chief Constable of North Wales, along with other Chief Constables and the Home Office, currently has a number of claims in respect of unlawful discrimination arising from transitional provisions in the Police Pension Regulations 2015. These claims against the Police pension scheme (the Aarons case) had previously been stayed behind the McCloud/Sargeant judgement, but a case management hearing was held in October 2019, with the resulting Order including an interim declaration that the claimants are entitled to be treated as if they had been given full transitional protection and had remained in their existing scheme after 1 April 2015. Whilst the interim declaration applied only to claimants, the Government made clear through a Written Ministerial Statement on 25 March2020 that non-claimants would be treated in the same way.

On 16 July 2020, HM Treasury issued a consultation regarding transitional arrangements for public sector pensions to eliminate discrimination as identified through the McCloud/Sargeant cases. This consultation introduced a requirement for members to have been members of the scheme on or before 31 March 2012 and on or after 1 April 2015 to be eligible for remedy.

On 4 February 2021, HM Treasury issued their response to the consultation which confirmed the remedy arrangements set out in the consultation, and states that members would be given a choice as to whether to retain benefits from their legacy pension scheme, or their new scheme, during the remedy period (2015-2022). This choice will be deferred for members until retirement. As the findings of the original Employment Tribunal did not identify that the introduction of the new public sector pension schemes were discriminatory (rather it was the transitional provisions), the legacy schemes will be removed from April 2022 to be replaced by the new pension schemes originally introduced in 2015.

Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period would lead to an increase in the Police Pension Scheme liabilities. Scheme actuaries originally estimated the increase in scheme liabilities for the Police and Crime Commissioner to be approximately 4.4% or £75.59m of pension scheme liabilities. This increase was recognised in the 2018-2019 accounts. In 2019-2020, the actuaries estimated a reduction of £15.58m in scheme liabilities. This reflects a change in assumptions and therefore represents a gain on remeasurement and reported in the Comprehensive Income and Expenditure Statement (CIES).

The impact of a change in scheme liabilities arising from the McCloud/Sargeant judgement will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation is due to be reported in 2023-2024, although this timetable is subject to change.

The impact on annual pension payments arising from McCloud/Sargeant is determined through the Police Pension Fund Regulations 2007. These require a policing body to maintain a police pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. If the police

pension fund does not have sufficient funds to meet the cost of pensions in year the amount required to meet the deficit is then paid by the Secretary of State to the police authority in the form of a central government top-up grant. Claimants have lodged claims for compensation. Test cases for these claims are due to be heard by the Employment Tribunal in December 2021. Claims for financial losses are currently stayed as consideration is given to the HM Treasury consultation response As at 31st March 2021, it is not possible to reliably estimate the extent or likelihood of these claims being successful, and therefore no liability in respect of compensation claims is recognised in these accounts.

With regard to the LGPS, when the benefit structure was reformed in 2014, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2014 by these members are subject to an 'underpin' which ensures that these members do not lose out from the introduction of the new scheme, by effectively giving them the better of the benefits from the old and new schemes.

As with the Police Pension Scheme the McCloud/Sargeant ruling will apply to the LGPS. Hence benefits accrued from 2014 may need to be enhanced so that all members, regardless of age, may benefit from the underpin. Alternatively, restitution may be achieved in a different way, for example by paying compensation. The Government will need to compensate younger members for the less favourable treatment they have received since the transitional provisions came into force, as well as revisiting pension scheme changes going forward so that the discriminatory elements are removed for all members.

For the purposes of the 31 March 2020 IAS19 balance sheet figures, an estimated adjustment to the liabilities for McCloud was captured from the 2019 valuation data, and was recorded separately as a Past Service Cost in the 2019-2020 Profit and Loss statement. No further adjustment has been made within this year's accounts. The previous amount within the balance sheet has simply been rolled forward and therefore included within the closing position at the balance sheet date. No explicit additional adjustment for McCloud has been added to the current service cost for 2020-2021.

	Local Government Pension Scheme		Police Pens	ion Scheme	Total
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021
	£000	£000	£000	£000	£000
Comprehensive Income & Expenditure Statement					
Cost of Services:					
Service Cost comprising:					
Current Service Cost	-11,900	-15,445	-38,710	-39,900	-50,610
Unfunded Benefits Contributions	116	120	0	0	116
Past Service Gains (-)/Losses (+)	-1	-280	0	8,760	-1
Transfers In	0	0	-530	-700	-530
Police Pension top-up grant receivable	0	0	18,992	20,371	18,992
Financing and investment income and expenditure					
Net interest expense	-1,291	-2,173	-37,880	-44,020	-39,171
Total Post Employment Benefit charged to the					
Surplus or Deficit on the Provision of Services	-13,076	-17,778	-58,128	-55,489	-71,204
<u>Other Post Employment Benefit Charged to the</u> <u>Comprehensive Income & Expenditure Statement</u> Remeasurement of the net defined benefit liability comprising:					
Return on plan assets (excluding the amount included in the net interest expense)	53,820	-21,744	0	0	53,820
Actuarial gains(+) and losses (-) arising on changes in demographic assumptions	-4,831	10,437	0	53,470	-4,831
Actuarial gains (+) and losses (-) arising on changes in financial assumptions	-89,898	34,187	-197,930	55,000	-287,828
Other experience gains (+) and losses (-)	2,297	21,185	54,780	36,090	57,077
Total Post Employment Benefit charged to the Comprehensive Income and Expenditure Account	-51,688	26,287	-201,278	89,071	-252,966

The following transactions have been made in the Comprehensive Income and Expenditure Account and the Movement in Reserves Statement during the year:

	Local Government Pension Scheme		Police Pensic	Total	
	2020-2021 £000	2019-2020 £000	2020-2021 £000	2019-2020 £000	2020-2021 £000
Movement in Reserves Statement					
Reversal of net charges made to the Surplus or Deficit for the Provision of post-employment benefits in					
accordance with the code	-13,076	-17,778	-58,128	-55,489	-71,204
Actual amount charged against the General Fund					
balance for pensions in the year:					
Employer's contributions payable to scheme	6,810	5,473	0	0	6,810
Retirement benefits payable to pensioners	0	0	21,809	20,069	21,809

Pensions Assets and Liabilities Recognised in the Balance Sheet.

The amount included in the balance sheet arising from the Police and Crime Commissioner's obligation in respect of its defined benefit plans is as follows:

		ment Pension eme	Police Pensi	Total	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000
Present value of the defined benefit obligation	359,671	251,505	1,863,800	1,684,330	2,223,471
Fair value of plan assets	-261,100	-197,812	0	0	-261,100
Sub-total	98,571	53,693	1,863,800	1,684,330	1,962,371
Other movement in the liability (+)/asset (-) (if applicable)	0	0	0	0	0
Net Liability arising from the defined benefit obligation	98,571	53,693	1,863,800	1,684,330	1,962,371

Reconciliation of the Movement in the Fair Value of the Scheme (Plan) Assets

	Local Governmen	t Pension Scheme
	31 March 2021 £000	31 March 2020 £000
Opening fair value of the scheme assets	197,812	210,875
Interest income Remeasurement gain (+)/loss (-):	4,602	5,114
- the return on plan assets, excluding the amount included in the net interest expense	53,820	-21,744
Contribution from employers	6,810	5,473
Contributions from employees	2,375	2,246
Benefits paid	-4,319	-4,152
Closing fair value of the scheme assets	261,100	197,812

Reconciliation of the Present Value of the Scheme Liabilities (Defined Benefit Obligation)

	Funded Liabi	lities: Local	Unfunded L	iabilities:
	Government Pe	nsion Scheme	Police Pension Scheme	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
Opening balance at 1 April	251,505	296,328	1,684,330	1,793,470
Current service cost	11,900	15,445	38,710	39,900
Interest cost	5,893	7,287	37,880	44,020
Contributions from scheme participants	2,375	2,246	7,770	7,150
Remeasurement gains (-) and losses (+):				
 Actuarial gains/losses arising from changes in demographic 				
assumptions	4,831	-10,437	0	-53,470
 Actuarial gains/losses arising from changes in financial 				
assumptions	89,898	-34,187	197,930	-55,000
- Other experience gains/losses	-2,297	-21,185	-54,780	-36,090
Past service costs	1	280	0	-8,760
Transfers In	0	0	530	700
Benefits paid	-4,319	-4,152	-48,570	-47,590
Liabilities extinguished on settlements (where applicable)	-116	-120	0	0
Closing balance at the 31 March	359,671	251,505	1,863,800	1,684,330

Local Government Pension Scheme assets comprised:

	Local Government Pension Scheme 2020-2021			Local Government Pension Scheme 2019-2020		
	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total
	£000	£000	£000	£000	£000	£000
Cash and cash equivalents	1,507	0	1,507	980	0	980
Sub-total	1,507	0	1,507	980	0	980
Equity Securities:						
Other	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0
Debt Securities:				•		
Other	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0
Property: By type:						
UK Property	0	20,708	20,708	0	19,497	19,497
Overseas Property	0	0	0	0	23	23
Sub-total	0	20,708	20,708	0	19,520	19,520
Private Equity:						
UK and overseas	0	16,235	16,235	0	11,499	11,499
Sub-total	0	16,235	16,235	0	11,499	11,499
Other Investment Funds and unit trusts:						
Equities	0	167,288	167,288	0	132,658	132,658
Infrastructure	0	4,603	4,603	0	4,549	4,549
Other	0	50,759	50,759	0	28,606	28,606
Sub-total	0	222,650	222,650	0	165,813	165,813
Totals	1,507	259,593	261,100	980	196,832	197,812

Basis for estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

The Local Government Pension Scheme liabilities have been estimated by Hymans Robertson and the Police Pension Scheme liabilities have been estimated by the Government Actuary's Department. These are both independent actuary organisations, estimates for the Local Government Pension Scheme being based on the latest full valuation of the scheme as at 31 March 2019.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions used. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption changes while all the other assumptions remain constant. The estimation in the sensitivity analysis has followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

	Local Government Pension Scheme		Police Pens	ion Scheme
2020-2021	Increase in assumption £000	Decrease in assumption £000	Increase in assumption £000	Decrease in assumption £000
Longevity (increase (+) or decrease (-) in 1 year)	14,387	-14,387	64,000	-64,000
Rate of inflation (increase (+) or decrease (-) by 0.5%)	38,385	-38,385	177,000	-176,000
Rate of increase in salaries (increase (+) or decrease (-) by 0.5%)	6,106	-6,106	19,000	-19,000
Rate of increase in pensions (increase (+) or decrease (-) by 0.5%)	38,385	-38,385	168,000	-167,000
Rate for discounting scheme liabilities (increase (-) or decrease				
(+) by 0.5%)	-45,514	45,514	-177,000	176,000

Asset and Liability Matching (ALM) Strategy

The pensions committee of Gwynedd Council does not have an asset and liability matching strategy (ALM). Responsibility for the Fund's risk management strategy rests with the pensions committee. The Pension Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to pay pensions. The Administering Authority has produced a Funding Strategy Statement in conjunction with the Fund's Actuaries, which states how solvency and risk will be managed in relation to liabilities. The Strategy was reviewed and updated following the actuarial valuation in 2019 and has taken an overall view of the level of risk inherent in the investment policy set out in the Investment Strategy Statement published under Regulation 12 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016, (the investment regulations) and the funding policy set out in the Statement. These documents continue to be reviewed to ensure that the overall risk profile remains appropriate.

Impact on the Police and Crime Commissioner's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. Gwynedd Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 20 years. Funding levels are monitored on an annual basis. The next triennial valuation will be completed during 2022-2023 to be implemented from April 2023.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pensions Scheme in England and Wales and the other main existing public service schemes change the benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The Police and Crime Commissioner anticipates to pay £6.825 million contributions to the scheme in 2021-2022.

The weighted average duration of the defined benefit obligation for the Local Government Pension Scheme is 26.0 years, 2020-2021, (26.0 years 2019-2020). The weighted average for the Police Pension Scheme is 20.0 years, 2020-2021, (21.0 years 2019-2020).

35. Contingent Liabilities

The Police and Crime Commissioner has the sum of £1.173 million reserved for insurance. £0.649 million relates to the potential additional liabilities in relation to the Scheme of Arrangement for Municipal Mutual Assurance and £0.524 million for additional areas of insurance in relation to current emerging claims not currently recognised.

Following successful claims in the court case Allard v Devon and Cornwall Police for unpaid overtime following recalls to duty, the judge has selected a number of test cases to consider all of the issues arising in these claims against forces across the country. North Wales Police claims are therefore stayed by order of the High court pending the outcome of the test cases. The total cost of the claims will be dependent upon the principles established in the test cases and a number could go back over a six year period but the overall financial impact is not expected to be material in relation to the overall financial position of the force. There is no insurance indemnity for these claims.

Following a Court of Appeal ruling, in the case of Evans & Ashcroft v Chief Constable of South Wales Police, the appellants' case regarding the perceived incorrect deductibility of certain injury related state benefits has been upheld. This relates to officers who received increases in Incapacity Benefit and Industrial Injury Disablement Benefit between 12.4.2001 and 14.4.2011 who should not have had the equivalent of these increases deducted from their injury pensions. The Home Office are expected to provide guidance on a national response as it is not clear if the ruling applies to similar cases.

36. Financial Instruments including Nature and Extent of Risks Arising

(a) Financial Instruments - Classifications

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Police and Crime Commissioner represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Police and Crime Commissioner. All of the Police and Crime Commissioner's financial liabilities held during the year are measured at amortised cost and comprised:

- long-term loans from the Public Works Loan Board and commercial lenders,
- short-term loans from other local authorities,
- overdraft with HSBC bank,
- lease payables including Private Finance Initiative contracts detailed in note 31, and
- trade payables for goods and services received.

Financial Assets

A financial asset is a right to future economic benefits controlled by the Police and Crime Commissioner that is represented by cash, equity instruments or a contractual right to receive cash or other financial assets or a right to exchange financial assets and liabilities with another entity that is potentially favourable to the Police and Crime Commissioner. All financial assets held by the Police and Crime Commissioner during the year are measured at

amortised cost (where cash flows are solely payments of principal and interest and the Police and Crime Commissioner's business model is to collect those cash flows) comprising:

- cash in hand,
- bank current and deposit accounts with HSBC bank,
- fixed term deposits with banks and building societies, and
- trade receivables for goods and services provided.

Financial assets held at amortised cost are shown net of a loss allowance (where material) reflecting the statistical likelihood that the counterparty will be unable to meet their contractual commitments to the Police and Crime Commissioner.

(b) Financial Instruments - Balances

The financial liabilities disclosed in the Balance Sheet are analysed across the following categories:

	Long	Term	Short	Term
Financial Liabilities	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	£000	£000	£000	£000
Loans at amortised cost:				
- Principal sum borrowed	8,875	9,255	500	5,620
- Accrued interest	0	0	35	38
Total Borrowing *	8,875	9,255	535	5,658
Loans at amortised cost:				
- Bank overdraft	0	0	0	0
Total Cash Overdrawn	0	0	0	0
Liabilities at amortised cost:				
- PFI arrangements	8,226	9,103	877	810
Total Other Long-term	8,226	9,103	877	810
Liabilities	8,220	9,103	877	810
Liabilities at amortised cost:				
- Trade payables	0	0	18,673	14,433
Included in Creditors	0	0	18,673	14,433
Total Financial Liabilities	17,101	18,358	20,085	20,901

* The total short-term borrowing includes principal repayments due within 12 months on long-term borrowing.

The financial assets disclosed in the Balance Sheet are analysed across the following categories:

	Long	Term	Short Term		
Financial Assets	31.3.2021	31.3.2020	31.3.2021	31.3.2020	
Financial Assets	£000	£000	£000	£000	
At amortised cost:					
- Principal	0	0	6,000	0	
- Accrued interest	0	0	0	0	
- Loss allowance	0	0	0	0	
Total Investments	0	0	6,000	0	
At amortised cost:					
- Principal	0	0	15,868	15,495	
- Accrued interest	0	0	0	19	
- Loss allowance	0	0	0	0	
Total Cash and Cash Equivalents	0	0	15,868	15,514	
At amortised cost:					
- Trade receivables	0	0	10,132	13,478	
- Loss allowance	0	0	-13	-7	
Included in Debtors	0	0	10,119	13,471	
Total Financial Assets	0	0	,31,987	28,985	

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset against each other where the Police and Crime Commissioner has a legally enforceable right to set off and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

		31.3.2021			31.3.2020	
	Gross		Net position	Gross		Net position
	assets	(Liabilities)	on	assets	(Liabilities)	on
		assets set			assets set	
	(liabilities)	off	balance sheet	(liabilities)	off	balance sheet
	£000	£000	£000	£000	£000	£000
Trade receivables	10,119	0	10,119	13,471	0	13,471
Bank accounts in credit	17,088	-1,220	15,868	15,536	-22	15,514
Total financial assets	27,207	-1,220	25,987	29,007	-22	28,985
Trade payables	-18,673	0	-18,673	-14,433	0	-14,433
Bank accounts in debit	-1,220	1,220	0	-22	22	0
Borrowings	-9,410	0	-9,410	-14,913	0	-14,913
PFI arrangements	-9,103	0	-9,103	-9,913	0	-9,913
Total financial liabilities	-38,406	1,220	-37,186	-39,281	22	-39,259

The table below shows those instruments that have been offset on the balance sheet.

(c) Financial Instruments - Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments consist of the following:

	Financial Liabilities	Financial Assets		
	Amortised Cost £000	Amortised Cost £000	2020- 2021 Total £000	2019- 2020 Total £000
Interest expense	1,021	0	1,021	1,050
Impairment losses	6	0	6	5
Losses from changes in fair value	37,830	0	37,830	46,193
Fees paid	0	0	0	0
Interest payable and similar charges	38,857	0	38,857	47,248
Interest income	0	-7	-7	-129
Interest and investment income	0	-7	-7	-129
Net impact on surplus/deficit on provision of services	38,857	-7	38,850	47,119

(d) Financial Instruments - Fair Values

Financial instruments classified at amortised cost are carried in the Balance Sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31st March 2021, using the following methods and assumptions:

- Loans borrowed by the Police and Crime Commissioner have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans.
- The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31st March.

- The fair values of PFI scheme liabilities have been calculated by discounting the contractual cash flows (excluding service and interest charge elements) at the appropriate AA-rated corporate bond yield.
- No early repayment or impairment is recognised for any financial instrument.
- The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount given the low and stable interest rate environment.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1 fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g. bond prices
- Level 2 fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g. interest rates or yields for similar instruments
- Level 3 fair value is determined using unobservable inputs, e.g. non-market data such as cash flow forecasts or estimated creditworthiness

	Fair	Balance Sheet	Fair Value	Balance Sheet	Fair Value
	Value Level	31.3.2021 £000	31.3.2021 £000	31.3.2020 £000	31.3.2020 £000
Financial liabilities held at amortised					
cost:	-	0.275	0.4.44	0.075	0.522
Long-term loans from PWLB	2	9,375	9,141	9,875	9,523
Lease payables and PFI liabilities	2	9,103	8,699	9,913	8,729
Total		18,478	17,840	19,788	18,252
Liabilities for which fair value is not disclose	d *	18,708		19,471	
Total Financial Liabilites		37,186		39,259	
Recorded on balance sheet as:					
Short-term creditors		18,673		14,433	
Short-term borrowing		535		5,658	
Other short-term liabilities		877		810	
Long-term borrowing		8,875		9,255	
Other long-term liabilities		8,226		9,103	
Total Financial Liabilites		37,186		39,259	

* The fair value of short-term financial liabilities held at amortised cost, including trade payables, is assumed to approximate to the carrying amount.

The fair value of financial liabilities held at amortised cost is lower than their balance sheet carrying amount because the inherent interest rate within the PFI unitary charge is higher than the current market rates available as at the Balance Sheet date.

	Fair	Balance Sheet	Fair Value	Balance Sheet	Fair Value
	Value Level	31.3.2021 £000	31.3.2021 £000	31.3.2020 £000	31.3.2020 £000
Financial assets held at amortised					
cost:					
Corporate Bond	1	0	0	0	0
Total		0	0	0	0
Assets for which fair value is not disclos	ed *	31,987		28,985	
Total Financial Assets		31,987		28,985	
Recorded on balance sheet as:					
Short-term debtors		10,119		13,471	
Short-term investments		0		0	
Cash and cash equivalents		21,868		15,514	
Total Financial Assets		31,987		28,985	

* The fair value of short-term financial assets held at amortised cost, including trade receivables, is assumed to approximate to the carrying amount.

e) Financial Instruments - Risks

The Police and Crime Commissioner complies with CIPFA's Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities, both revised in December 2017.

In line with the Treasury Management Code, the Police and Crime Commissioner approves a Treasury Management Strategy before the commencement of each financial year. The Strategy sets out the parameters for the management of risks associated with financial instruments. The Police and Crime Commissioner also approves Treasury Management Practices specifying the practical arrangements to be followed to manage these risks. The Treasury Management Strategy includes an Investment Strategy in compliance with the Welsh Government's Guidance on Local Government Investments. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield.

The main risks covered are:

- *Credit Risk:* The possibility that the counterparty to a financial asset will fail to meet its contractual obligations, causing a loss to the Police and Crime Commissioner.
- *Liquidity Risk:* The possibility that the Police and Crime Commissioner might not have the cash available to make contracted payments on time.
- *Market Risk:* The possibility that an unplanned financial loss will materialise because of changes in market variables such as interest rates or equity prices.

Credit Risk: Treasury Investments

The Police and Crime Commissioner manages credit risk by ensuring that treasury investments are placed only with organisations of high credit quality as set out in the Treasury Management Strategy. These include commercial entities with a minimum long-term credit rating of A-, the UK government, other local authorities, and organisations without credit ratings upon which the Police and Crime Commissioner has received independent investment advice.

A limit of £10m of the total portfolio can be invested with the HSBC as the Police and Crime Commissioner's contracted bankers, and £4m limit is placed on the amount of money that can be invested with other single counterparties (other than the UK government). No more than £5m in total can be invested for a period longer than one year.

The table below summarises the credit risk exposures of the Police and Crime Commissioner's treasury investment portfolio by credit rating and remaining time to maturity:

	31.3.2021		31.3.2020	
	Long-	Short-	Long-	Short-
Credit Rating *	term	term	term	term
	£000	£000	£000	£000
UK Government	0	6,000	0	0
AAA	0	0	0	0
AA+	0	0	0	0
AA	0	0	0	0
AA-	0	9,048	0	7,000
A+	0	8,000	0	10
А	0	0	0	0
A-	0	0	0	0
Total				
Investments	0	23,048	0	7,010

* as per Fitch published long-term rating @ 31-3-2021

The current account is held with HSBC who are rated AA-.

Credit Risk: Trade Receivables

The following analysis summarises the Police and Crime Commissioner's trade receivables, by due date. Only those receivables meeting the definition of a financial asset are included.

	31.3.2021		31.3.2020		
	Trade receivables	Lease receivables	Trade receivables	Lease receivables	
	£000	£000	£000	£000	
Neither past due nor impaired	6,623	0	4,835	0	
Past due < 3 months	775	0	82	0	
Past due > 3 months	115	0	76	0	
Individually impaired	13	0	7	0	
Total Receivables	7,526	0	5,000	0	

Loss allowances on trade receivables have been calculated by reference to the Police and Crime Commissioner's historic experience of default. Receivables are determined to be credit-impaired where they are 90 or more days past due. Loss allowances are eventually written off to the Surplus or Deficit on the Provision of Services.

Liquidity Risk

The Police and Crime Commissioner has ready access to borrowing at favourable rates from the Public Works Loan Board and other local authorities, and at higher rates from banks and building societies. There is no perceived risk that the Police and Crime Commissioner will be unable to raise finance to meet its commitments. There is however the risk of the need to refinance a significant proportion of borrowing at a time of unfavourably high interest rates.

The maturity analysis of financial instruments is as follows:

	31.3.2021			31.3.2020		
Time to maturity	Liabilities	Assets	Net	Liabilities	Assets	Net
(years)	£000	£000	£000	£000	£000	£000
Not over 1	-20,085	31,987	11,902	-20,781	28,985	8,204
Over 1 but not over 2	-1,451	0	-1,451	-1,377	0	-1,377
Over 2 but not over 5	-4,863	0	-4,863	-4,600	0	-4,600
Over 5 but not over 10	-6,412	0	-6,412	-7,626	0	-7,626
Over 10 but not over 20	-4,375	0	-4,375	-4,875	0	-4,875
Total	-37,186	31,987	-5,199	-39,259	28,985	-10,274

Market Risks: Interest Rate Risk

The Police and Crime Commissioner is exposed to risk in terms of its exposure to interest rate movements on borrowings and investments. Movements in interest rates have a complex impact on the Police and Crime Commissioner. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates the interest expense will rise
- borrowings at fixed rates the fair value of the liabilities will fall
- investments at variable rates the interest income will rise
- investments at fixed rates the fair value of the assets will fall.

Investments measured at amortised cost and loans borrowed are not carried at fair value, so changes in their fair value will have no impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services. Movements in the fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income or the Surplus or Deficit on the Provision of Services as appropriate.

The Treasury Management Strategy aims to mitigate these risks by setting upper limits on its net exposures to fixed and variable interest rates. At 31 March 2021, 100% (2020: 100%) of net principal borrowed (i.e. borrowing net of investments) was exposed to fixed rates and 0% (2020: 0%) to variable rates.

Market Risks: Price Risk

The Police and Crime Commissioner does not invest in equity shares and therefore is not subject to any price risk (i.e. the risk that the Police and Crime Commissioner will suffer a loss as a result of adverse movements in the price of the financial instrument).

Market Risks: Foreign Exchange Risk

The Police and Crime Commissioner has no financial assets or liabilities denominated in foreign currency therefore has no exposure to loss arising as a result of adverse movements in exchange rates.

37. Partnership Schemes

The Police and Crime Commissioner is involved in partnership work with DangerPoint Ltd and Police and Community Trust (PACT). Details of PACT and DangerPoint accounts are available upon request.

38. Funds

The Police and Crime Commissioner administers the following funds for the purposes stated -

	31.3.2021 £000	31.3.2020 £000
Police Property Act Fund (Proceeds from confiscated property for distribution to charities) Misuse of Drugs Fund (Seized monies from Drugs enquiries used to finance	1	1
expenditure in combating drugs)	134	133
	135	134

39. Jointly Controlled Operations/Collaboration

The Police and Crime Commissioner is party to a number of collaborations (both regional and national). In all instances the Group accounts reflect our share of income, expenditure and cash flows arising from the structure of the arrangement. As the Police and Crime Commissioner received all income and funding, any income receivable from the structure of the arrangement will be credited in the Comprehensive Income and Expenditure Statement of the Police and Crime Commissioner. As the Comprehensive Income and Expenditure Statement of the Chief Constable contains the expenditure arising from these collaborations, the Police and Crime Commissioner credits the Chief Constable with an equivalent amount through the intra group funding.

CIPFA guidance on accounting for collaboration has been considered in determining the nature of the relationships and, as most arrangements have joint control through a strategic management board, it is considered that most are correctly classified as joint operations. Some arrangements are of a collaborative nature but are classified as third party payments. Others involve officers from individual forces carrying out duties on a regional basis but funded by a lead force from grants made by the Home Office, other agencies or are self-funded from fees and charges.

The following groups the arrangements into:

Collaboration – Joint Operations Collaboration – Third Party payments Collaboration – Grant/self-funded

Collaboration – Joint Operations

Forensic Collision Investigation Network (FCIN)

Forensic Collision Investigation is a highly specialist area of policing, involving a small number of scientific and technical staff who provide a significant public service through the investigation of death and serious, often life changing, injuries on our roads.

In 2020-2021 the responsibility for the Forensic Collision Investigation Network (FCIN) was transferred from West Mercia Police to North Wales Police. The FCIN moved out of the Specialist Capabilities Programme to the 'Host Force' model with the primary objective being that all collision investigation activities comply with national forensic standards. The police service decided that this should be delivered through a networked approach underpinned by a Section 22a Collaboration Agreement.

As at the end of the Financial Year 2019-20 West Mercia Police held reserves to the value of £271k with a debtor to the value of £13k outstanding to North Wales Police. These monies were passed over to North Wales Police during the course of 2020-21 with the balance of £258k placed into reserves at year end.

The budgeted expenditure agreed for 2020-2021 by the FCIN Management Board was £2,071k with the funding met by all forces party to the Section 22a Collaboration Agreement. The budget was set to meet the cost of scientific development and roll out of the FCIN network to meet the accreditation deadline as set by the Forensic Science Regulator. The budget was inclusive of costs such as staff, consultants, scientific validation, competency testing, other non staff etc. The Covid-19 pandemic has significantly impacted upon both the activities and timeline of the scientific development and roll out of the network, as recognised by the Finance Science Regulator decision to delay the accreditation deadline. The overall expenditure incurred in 2020-21 was £1,249k an overall underspend of £822k versus budget, with agreement for the amount to be placed into earmarked reserves.

Thus in total an amount of £1,080k (£258k balance from West Mercia and £822k 20/21 underspend) was placed in earmarked reserves as per Note 8 Transfers to/from Earmarked Reserves. This earmarked reserve is in place to meet the requirement of the FCIN to achieve the accreditation deadline and more specifically around costs such as resource costs, accreditation activities and competency testing.

All the expenditure and income relating to the FCIN activities are coded separately on our ledger which have been derecognised reflecting our share of income and expenditure, with the North Wales Police funding contribution for 2020-2021 being £27k.

2019-2020		2020-2021		
Net Expenditure	Functions	Expenditure	Income	Net Expenditure
£'000		£'000	£'000	£'000
0	Forensic Collision Investigation Network	27	0	27
0	Total	27	0	27

The North West Regional Organised Crime Unit (NWROCU) was established in April 2009 bringing together the six regional police forces in collaboration to tackle serious and organised crime across the North West. It encompasses the work of a number of teams with Merseyside as the lead force. In 2019-2020 the responsibility for the Protected Persons Service function transferred over to the National Crime Agency. The amount reflected in North Wales Police accounts in 2020-2021 is £851k (£832k in 2019-2020) with the breakdown by function as follows:

2019-2020		2020-2021			
Net Expenditure £'000	Functions	Expenditure £'000	Income £'000	Net Expenditure £'000	
236	Regional Crime Unit	223	0	223	
42	Prisoner Intelligence	72	-34	38	
11	Regional Intelligence Unit	28	-12	16	
176	Technical Surveillance Unit	217	-13	204	
-1	Protected Persons Service	0	0	0	
168	Confidential Unit	174	-6	168	
0	Regional Asset Recovery Team	53	-53	0	
6	Operational Security Officer	14	-7	7	
0	Cyber Crime	27	-27	0	
0	GAIN	3	-3	0	
112	UCA	302	-185	117	
0	ACE	12	-12	0	
0	ECURFT	14	-14	0	
0	Prevent	9	-9	0	
0	Disruption	15	-15	0	
82	Business Support	95	-17	78	
0	Other Titan Grants	47	-47	0	
832	Total	1,305	-454	851	

The following joint operations have Cheshire as lead force:

The North West Joint Underwater Search Unit serves the areas of Cheshire, Greater Manchester, Merseyside, Lancashire, Cumbria and North Wales with the overall expenditure being met by those forces.

The NW Armed Policing Collaboration was formed in 2012 with six member forces. Since this time the region has been operating under a single interim College of Policing (CoP) Firearms Training Licence having previously operated under six full training licences. Lancashire left the Collaboration on 31 March 2018.

The Armed Policing Alliance provides armed officers to both Cheshire and North Wales in a fully integrated joint force team since its inception in 2014. It is an armed policing alliance that serves the areas of Cheshire and North Wales and is staffed by police officers and support staff from the two constituent police forces with the overall expenditure being met by those forces.

The Dog Alliance provides dog handlers to both Cheshire and North Wales. The pilot went live operationally in April 2016 and provides a range of police dogs skills to both Cheshire and North Wales and is staffed by police officers and support staff from the two constituent police forces with the overall expenditure being met by those forces.

The ANPR collaboration has strong links to the North West Motorway Policing Group as Automatic Number Plate Recognition (ANPR) is identified as an effective method of providing protective services across the region's strategic road network. North Wales Police joined this arrangement in 2012.

2019-20			2020-2021	
Net Expenditure £'000	Functions	Expenditure £'000	Income £'000	Net Expenditure £'000
73	Joint Underwater Search Unit	78	-4	74
56	North West Armed Policing	97	-37	60
3,068	Armed Policing Alliance	3,145	0	3,145
660	Dogs Alliance	689	0	689
10	ANPR	10	0	10
3,867	Total	4,019	-41	3,978

The following operations are collaboration with other forces in Wales. The notional share of the expenditure and income has been reflected in the Comprehensive Income and Expenditure Statement allocated by population percentage across Wales.

SHARE OF SERVICE COLLABORATION 2020-2021		Counter Terrorism Intelligence Unit	Counter Terrorism Specialist Advisors
	Population		
Gross Expenditure	%	£000	£000
South Wales	42.48%	2,839	229
Dyfed-Powys	16.48%	1,102	89
Gwent	18.85%	1,260	101
North Wales	22.19%	1,483	120
Total:	100.00%	6,684	539
	Population		
Total Income & Grants	%	£000	£000
South Wales	42.48%	-2,839	-229
Dyfed-Powys	16.48%	-1,102	-89
Gwent	18.85%	-1,260	-101
North Wales	22.19%	-1,483	-120
Total:	100.00%	-6,684	-539

SHARE OF SERVICE COLLABORATION 2019-2020		Counter Terrorism Intelligence Unit	Counter Terrorism Specialist Advisors
	Population		
Gross Expenditure	%	£000	£000
South Wales	42.41%	5,032	237
Dyfed-Powys	16.50%	1,959	92
Gwent	18.84%	2,235	105
North Wales	22.25%	2,640	125
Total:	100.00%	11,866	559
	Population		
Total Income & Grants	%	£000	£000
South Wales	42.41%	-5,032	-237
Dyfed-Powys	16.50%	-1,959	-92
Gwent	18.84%	-2,235	-105
North Wales	22.25%	-2,640	-125
Total:	100.00%	-11,866	-559

In 2017-2018 an All Wales Collaboration Team was established to coordinate existing activities and identify new opportunities for collaboration across the four Forces in Wales. Traditionally the team was led by a Deputy Chief Constable and funded based on agreed contributions from each Force in Wales. During 2019-2020 it was agreed that the team would be led by an Assistant Chief Constable with the costs of this lead role fully met by the home force. The total costs of the team in 2020-2021 were £161k (2019-2020 – £282k) and Police and Crime Commissioner for North Wales' contribution to these costs was £40k in 2020-2021 (2019-20 – £59k). During 2020-21 an Assistant Chief Constable from North Wales Police was the lead for the All Wales Collaboration Team, covering the period of 1st April 2020 until 17th January 21 which resulted in a remuneration of £110,147 as per Note 26 Officers' Remuneration , with the costs fully met by the Police and Crime Commissioner for North Wales.

Debtors and creditors in respect of the above arrangements have remained in the balance sheets of the lead forces by mutual agreement on the basis of materiality.

Collaboration – Third Party Payments

The only significant arrangement of this kind is the payment made towards the National Police Air Service (NPAS) which was £0.561 million in 2020-2021 (£0.457 million in 2019-2020).

Collaboration – Grant/Self-funding

In a small number of collaboration arrangements North Wales provided seconded officers to support the arrangements and was reimbursed by other forces or agencies who received grant funding from the Home Office or Welsh Government to cover expenditure costs.

Police Pension Fund Account

As from 2006-2007 Police Officer Pensions are paid separately from the main revenue account. Employer and Employee contributions and other Pensions income are paid into the Police Pension Fund account and all the Police Pensions expenditure is paid out of the account. The Police Pension Scheme is an unfunded scheme and as such has no investment assets. Each individual Police and Crime Commissioner is required by legislation to operate a Pension Fund and the amounts to be paid into and out of the Pension Fund are specified by regulation. The Police Pension Fund Regulations 2007 provide that any deficit on the account is transferred to the Police and Crime Commissioner accounts to balance the fund to nil. This deficit is reimbursed by the Home Office and is accounted for within the Police and Crime Commissioner accounts. Similarly, any surplus arising from the expenditure being less than the income is required to be repaid to the Home Office by the Police and Crime Commissioner. Employees' and employers' contribution levels are based on percentages of pensionable pay set nationally by the Home Office and subject to triennial revaluation by the Government Actuary's Department. Long term pension obligations are detailed within note 34 Retirement Benefits.

The Pension account is designed to discharge liabilities to pay pensions as they fall due and takes no account of pensions and other liabilities after the period end. All fund transactions are treated in accordance with the Police and Crime Commissioner's Accounting Policies as set out on pages 64 to 78. Administration of the Pension Fund is carried out through a third party contract agreement.

2019-2020 £000	Fund Account	2020-2021 £000
	Contributions receivable	
	From Employer:-	
16,512	- Normal	17,980
0	- Early retirements	0
156	- Capital Charge for Ill Health Retirement	673
7,157	Members Contributions	7,776
878	Transfer Values received	529
24,703	Total Income	26,958
	Benefits Payable	
37,896	Pensions	38,841
6,899	Commuted and lump sum retirement benefits	6,930
237	Lump Sum Death Benefits	168
	Payments to and on account of leavers	
0	Transfer out to other schemes	0
42	Refund of Contributions	11
45,074		45,950
	•	
	Net Amount Payable for the year before transfer from the	
20,371	Police Fund	18,991
-20,371	Additional Contribution from the Police Fund (by grant)	-18,991
0	Net amount payable/receivable for the year	0
	Net Asset Statement:	
60	Contributions due from employer	60
21	Unpaid pension benefits	3
-81	Other current assets and liabilities (other than liabilities to pay	-63
	pensions and other benefits in the future)	
0	Total Liabilities	0

1. General

The Group Statement of Accounts summarises the Police and Crime Commissioner's transactions for the 2020-2021 financial year and the position at the year-end of 31 March 2021. The Police and Crime Commissioner is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014. The Regulations require the accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2020-2021, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the Local Government Act 2003. The code specifies the principles and practices of accounting required to prepare a Group Statement of Accounts which presents a 'true and fair' view of the financial position, financial performance and cash flows of the Police and Crime Commissioner, including group financial statements.

The accounting convention adopted is historical cost, modified by the revaluation of certain categories of noncurrent assets and financial instruments.

2. Accruals of Income and Expenditure

Activity is accounted for in the year it occurs, not simply when cash payments are made and received. In particular:

- Revenue from sale of goods is recognised when the Police and Crime Commissioner transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Police and Crime Commissioner.
- Revenue from the provision of services to the Police and Crime Commissioner is recognised when the Police and Crime Commissioner can measure reliably the percentage of completion of the transaction, and it is probable that economic benefits or service potential associated with the transaction will flow to the Police and Crime Commissioner.
- Supplies are recorded as expenditure when they are consumed. Where there is a gap between the date that supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services rendered (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument, rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid a debtor or creditor for the relevant amount is recorded in the Balance Sheet. A deminimus level of £3k is set for these transactions. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

3. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that can mature immediately from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Police and Crime Commissioner's cash management.

4. Exceptional items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to understanding the Police and Crime Commissioner's financial performance.

5. **Prior Period Adjustments, Changes in Accounting Policies, Estimates and Errors**

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in the accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are made only when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Police and Crime Commissioner's financial position or financial performance. Where a change is made, unless stated otherwise it is applied retrospectively by adjusting opening balances and the comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

6. Charges to Revenue for Non-Current Assets

The Police and Crime Commissioner does not charge depreciation, revaluation and impairment or amortisation separately to services, support services or trading accounts.

The Police and Crime Commissioner is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, he is required to make an annual contribution from revenue towards the reduction in his overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Police and Crime Commissioner in accordance with statutory guidance.

Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the contribution in the General Fund Balance (Revenue Provision), and by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

7. Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Police and Crime Commissioner. An accrual is made for the cost of leave arising from holiday entitlements or time off in lieu earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being in the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Police and Crime Commissioner to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy, and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement at the earlier of: when the Police and Crime Commissioner recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Police and Crime Commissioner to the pension fund or pensioner in the year, not the amount calculated in accordance to the relevant accounting standards. In the Movement of Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with the debits for the cash paid to the pension fund and pensioners together with any such amounts payable but unpaid at the year-end.

Post Employment Benefits

The Police and Crime Commissioner participates in two different pension schemes. Both schemes provide members with defined benefits related to pay and services.

Staff employed in the Office of the Police and Crime Commissioner and Police Staff

These employees are eligible to join the Local Government Pension Scheme, which is administered by Gwynedd Council. The triennial actuarial assessment carried out in 2016 stated that the employer's contribution needed to be set at a minimum of 16.3% per annum plus a lump sum of £0.8m to meet the liabilities of the fund. The triennial assessment carried out in 2019 set a minimum rate of 19% from April 2020 with no lump sum.

Police Officers

Until 2005-2006 the cost of the police pensions scheme, which was an unfunded, defined benefits scheme, was met from the preceding Police Authority's Income and Expenditure Account. In 2006-2007 there was a change in the way that police pensions were accounted for and a central fund was created by the Home Office to meet the cost of pensions and commutation payments. Police and Crime Commissioners pay a percentage of officers' salaries into the fund (currently 31.0%). Injury pensions continue to be the responsibility of the Police and Crime Commissioner and are met from the Police and Crime Commissioner's Income and Expenditure Account.

The Local Government Pension Scheme

The Local Government Pension Scheme is a defined benefits scheme:

- the liabilities of the Gwynedd Pension Fund attributable to the Police and Crime Commissioner are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and estimates of projected earnings for current employees.
- the liabilities are discounted to their value at current prices, using a discount rate based on an indicative rate of return on Government bonds adjusted for additional yield from high quality corporate bonds (iBoxx Sterling Corporates AA).
- the assets of the Gwynedd Pension Fund attributable to the Police and Crime Commissioner are included in the Balance Sheet at their fair value: Quoted securities at current bid price Unquoted securities at professional estimate Unitised securities at current bid price Property at market value.

- the change in the net pensions liability is analysed into the following components:

Service cost comprising:

- (i) Current Service Cost the increase in the present value of the defined benefit obligation resulting from employee service in the current period which is allocated to the Comprehensive Income and Expenditure Statement.
- (ii) Past Service Cost the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years and which are debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs.
- (iii) Net interest on the net defined benefit liability (asset) the net interest expense for the Police and Crime Commissioner from the change during the period in the net defined liability (asset) that arises from the passage of time and is charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit liability obligation at the beginning of the period to the net defined benefit liability (asset) at the end of the period by taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Remeasurements comprising:

- (i) The return on plan assets excluding amounts included in the net interest on the net defined benefit liability (asset) and is charged the Pensions Reserve as Other Comprehensive Income and Expenditure.
- (ii) Actuarial gains or losses changes in the net pensions' liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions which are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

Contributions paid to the Gwynedd Pension Fund – cash paid as employers' contributions to the pension fund in settlement of liabilities; this is not accounted for as an expense.

In relation to retirement benefits, statutory provisions require that the General Fund balance be charged with the amounts payable by the Police and Crime Commissioner to the pension fund or directly to pensioners in the year, not the amount calculated in accordance with the relevant accounting standards. In the Movement in Reserves Statement, this means there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with the debits for cash paid to the pension fund and pensioners and together with any other amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Police and Crime Commissioner has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pensions Scheme and in accordance with the Police and Crime Commissioner's early retirement process.

8. Events after the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period, which require the Statement of Accounts to be adjusted to reflect such events.
- those that are indicative of conditions that arose after the reporting period, which do not require the Statement of Accounts to be adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

9. **Financial Instruments**

Financial Liabilities

Financial Liabilities are recognised on the Balance Sheet when the Police and Crime Commissioner becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are subsequently carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts the estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

The amount presented in the balance sheet with respect to long and short term borrowing is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable in the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums or discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Police and Crime Commissioner's policy is to spread the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by the transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Financial assets are classified into two types:

- loans and receivables which are assets that have a fixed or determinable repayments but are not quoted in an active market

- available-for-sale assets which are assets that have a quoted market price and/or do not have fixed or determinable payments

Loans and Receivables

Loans and receivables are recognised on the Balance Sheet when the Police and Crime Commissioner becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Police and Crime Commissioner has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

Where assets are identified as impaired because the likelihood arising from a past event that payments due under a contract will not be made, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains or losses that arise in the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Available-for-sale Assets

Available-for-sale assets are recognised on the Balance Sheet when the Police and Crime Commissioner becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument. Where there are no fixed or determinable payments, income (e.g. dividends) is credited to the Comprehensive Income and Expenditure Statement when it becomes receivable by the Police and Crime Commissioner.

Assets are maintained in the Balance Sheet at fair value. Values are based on the following techniques:

- instruments with quoted market prices the market price
- other instruments with fixed and determinable payments discounted cash flow analysis
- equity shares with no quoted market prices independent appraisal of company valuations.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs quoted prices (unadjusted) in active markets for identical assets that the Police and Crime Commissioner can access at the measurement date.
- Level 2 inputs inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs unobservable inputs for the asset.

Changes in fair value are balanced by an entry in the Available-for-Sale Reserve and the gain/loss is recognised in the Surplus or Deficit on Revaluation of Available-for-Sale Financial Assets. The exception is where impairment losses have been incurred – these are debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any net gain or loss for the asset accumulated in the Available-for-Sale Reserve. Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made (fixed or determinable payments) or fair value falls below cost, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. If the asset has fixed or determinable payments, the impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. Otherwise, the impairment loss is measured as any shortfall of fair value against the acquisition cost of the instrument (net of any principal repayment and amortisation). Financial assets held at amortised cost are shown net of a loss allowance (where material) reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Police and Crime Commissioner.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any accumulated gains or losses previously recognised in the Available-for-Sale Reserve. Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

10. **Government Grants and Contributions**

Whether paid on account, by instalments or in arrears, government grant and third party contributions and donations are recognised as due by the Police and Crime Commissioner when there is reasonable assurance that:

- the Police and Crime Commissioner will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Police and Crime Commissioner are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is transferred to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

11. Interest in other entities

The Police and Crime Commissioner has material interests in other entities that have the nature of a subsidiary, associate and jointly controlled entities and is required to prepare group accounts. In the Police and Crime Commissioner's single entity accounts interests in other entities are recorded in accordance with proper accounting practice. In respect of the North Wales Police and the Police and Crime Commissioner's group accounts, the Chief Constable of North Wales is deemed to be a 100% wholly owned subsidiary of the Police and Crime Commissioner.

12. Inventories and Long term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using the first in first out (FIFO) costing formula. Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works or services received under the contract during the financial year.

13. Jointly Controlled Operations and Jointly Controlled Assets

Jointly controlled operations are activities undertaken by the Police and Crime Commissioner in conjunction with other venturers that involve the use of the assets and resources of the venturers rather than the establishment of a separate entity. The Police and Crime Commissioner recognises on the Balance Sheet the assets that the Commissioner controls including his share of any assets held jointly and the liabilities that the Commissioner incurs including his share of any liabilities incurred jointly and debits and credits the Comprehensive Income and Expenditure Statement with the expenditure and any share of expenditure incurred jointly and the share of income that is earned from the activity of the operation.

Jointly controlled assets are items of property, plant or equipment that are jointly controlled by the Police and Crime Commissioner and other venturers, with the assets being used to obtain benefits for the venturers. The joint venture does not involve the establishment of a separate entity. The Police and Crime Commissioner accounts for only his share of the jointly controlled assets, the liabilities and expenses that he incurs on his own behalf or jointly with others in respect of his interest in the joint venture and income that is earned from the venture. Details of any jointly controlled operations can be seen in Note 39 to the Accounts.

14. Leases

Finance leases transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey the right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Police and Crime Commissioner as a Lessee

Finance Leases

Property, plant and equipment held under finance leases are recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by the liability for the obligation to pay the lessor. Initial direct costs to the Police and Crime Commissioner are added to the carrying amount of the asset. Premiums paid on entry into the lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment which is applied to write down the lease liability, and
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, plant and equipment recognised under finance leases are accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Police and Crime Commissioner at the end of the lease period).

The Police and Crime Commissioner is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense for the use of leased property, plant and equipment. Charges are made on a straight-line basis over the life of the lease even if this does not match the pattern of payments (e.g. there is a rent free period at the commencement of the lease).

The Police and Crime Commissioner as a Lessor

A lessor lets property, plant or equipment under a lease arrangement to others.

Finance Leases

Where the Police and Crime Commissioner grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the balance sheet as a disposal. At the commencement of the lease the carrying amount of the asset in the balance sheet, (whether property, plant or equipment or assets held for sale) is written off to the other operating expenditure line in the comprehensive income and expenditure statement as part of the gain or loss on disposal. A gain representing the Police and Crime Commissioner's net investment in the lease, is credited to the same line in the comprehensive income and expenditure statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long term debtor) asset on the balance sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the comprehensive income and expenditure statement).

The gain credited to the comprehensive income and expenditure statement on disposal is not permitted by statute to increase the general fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the general fund balance to the capital receipts reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the general fund balance to the deferred capital receipts reserve in the Movement in Reserves Statement.

When the future rentals are received the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point the deferred capital receipts are transferred to the capital receipts reserve. The written off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements under capital financing. Amounts are therefore appropriated to the capital adjustment account from the general fund balance through the Movement in Reserves Statement.

Operating Leases

Where the Police and Crime Commissioner grants an operating lease over a property or an item of plant or equipment, the asset is retained in the balance sheet. Rental income is credited to the other operating expenditure line in the comprehensive income and expenditure statement. Credits are made on a straight line basis over the life of the lease even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating or arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

15. **Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the Police and Crime Commissioner's arrangements for accountability and financial performance

16. **Property Plant and Equipment**

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Police and Crime Commissioner and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

<u>Measurement</u>

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of
 operating in the manner intended by management
- if applicable, the initial estimate of costs of dismantling and removing the item and then restoring the site on which it is located.

The Police and Crime Commissioner does not capitalise borrowing costs incurred whilst the assets are under construction.

The cost of an asset other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows to the Police and Crime Commissioner). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Police and Crime Commissioner.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, (unless the donation has been made conditionally); until conditions are satisfied the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement. Assets are then carried in the Balance Sheet using the following measurement basis:

- Infrastructure, community assets and assets under construction depreciated historical cost
- Dwellings and all other assets fair value determined as the amount that would be paid for the asset in its existing use (i.e. existing use value or EUV).

Where there is no market based evidence of current value because of the specialist nature of the asset, depreciated replacement cost is used as a substitute for fair value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a substitute for current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure their carrying amount is not materially different from their fair value at the year-end, as a minimum every five years. Increases in the valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains may be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against the balance (up to the amount of the accumulated gains)
- where there is no balance in the revaluation reserve or an insufficient balance, the carrying amount of the asset is written down in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before this date have been consolidated into the Capital Adjustment Account.

<u>Impairment</u>

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gain)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (assets under construction).

Where an asset has major components with significant value, the components are depreciated separately. The Police and Crime Commissioner has applied the following de-minimus limits and components will be recognised separately only where:

(i) Remaining life of component is between 0 and 10 years and value of component is over £500k

(ii) Remaining life of component is between 10 and 15 years and value of component is over £750k

(iii) Remaining life of component is between 15 and 20 years and value of component is over £1000k

(iv) Remaining life of component is between 20 and 30 years and value of component is over £1250k

(v) Remaining life of component is between 30 and 40 years and value of component is over £1500k

(vi) Remaining life of component is between 40 and 50 years and value of component is over £2000k

(vii) Remaining life of component is between 50 and 60 years and value of component is over £4000k

Asset Type:	Depreciation Policy:
Buildings	Depreciated over the life expectancy as stated by the valuer on a straight line method and revalued at least every 5 years
Computer Equipment	Straight line over 3 to 5 years commencing in the year following purchase.
General Equipment, Furniture and Fittings and Radio Equipment	Straight line over 7-10 years commencing in the year following purchase.
Vehicles	Straight line over 3-8 years commencing in the year following purchase.
Land	Undeveloped sites are not depreciated.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-Current Assets held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to the fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to noncurrent assets and valued at the lower of their carrying amount before they were classified as held for sale (adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale), and their recoverable amount at the date of the decision not to sell.

Details of any properties classified as Assets Held for Sale are disclosed in the Balance Sheet and relevant notes.

Assets that are to be abandoned or scrapped are not classified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve and then can be used only for new capital investment (or set aside to reduce the Police and Crime Commissioner's underlying need to borrow - the capital financing requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The value of disposals written out is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

17. **Private Finance Initiative**

The Police and Crime Commissioner has entered into one long term contractual agreement under PFI where the contractor is responsible for design, construction, finance and maintenance of the Custody Suite, Major Incident facility, Scientific Support facility and office space at St. Asaph. As the Police and Crime Commissioner is deemed to control the services that are provided under its PFI scheme and as ownership of the fixed assets will pass to the Police and Crime Commissioner at the end of the contract for no additional charge, the Police and Crime Commissioner carries the fixed assets used under the contracts on the Balance Sheet.

The original recognition of these fixed assets has been balanced by a corresponding liability for the amounts due to the scheme operator.

18. Provisions, Contingent Liabilities and Contingent Assets

Provisions are made where an event has taken place that gives the Police and Crime Commissioner a legal or constructive obligation that probably requires settlement by transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense in the Comprehensive Income and Expenditure Statement in the year that the Police and Crime Commissioner becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year and where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made); the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is recognised as income for the relevant service only when it is virtually certain that reimbursement will be received if the Police and Crime Commissioner settles the obligation.

The insurance provision covers insurance liability for those risks not covered externally and also covers any excess on external insurance policies. The provision covers public and employer's risk. There are contingent liabilities to be met from this provision.

The provision for doubtful debts, now called loss allowances, is included within Debtors in Current Assets.

Carbon Reduction Commitment (CRC) Energy Efficiency Scheme – this is a mandatory scheme for large public and private sector organisations and is designed to improve energy efficiency and cut emissions. Organisations that qualify are required to purchase and surrender carbon allowances on the basis of their emissions and

reflect any liabilities within their accounts. The Police and Crime Commissioner is currently not required to participate in the scheme due to current emissions being below the qualification threshold.

Contingent Liabilities

A contingent liability arises when an event has taken place that gives the Police and Crime Commissioner a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Police and Crime Commissioner. They can arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises when an event has taken place that gives the Police and Crime Commissioner a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Police and Crime Commissioner.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

19. Reserves

The Police and Crime Commissioner sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts from the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged in that year to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The amount is then appropriated back into the Usable Revenue Reserves in the Movement in Reserves Statement so there is no net charge to council tax for the expenditure during the accounting period.

Unusable Reserves - certain reserves are maintained to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Police and Crime Commissioner. Reserves are explained in the relevant policies within the Medium Term Financial Plan.

20. **Revenue Expenditure Funded from Capital under Statute**

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure in the Comprehensive Income and Expenditure Statement in the year. Where the Police and Crime Commissioner has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account reverses the amounts charged so that there is no impact on the level of revenue expenditure.

21. Recognition of Revenue from Non-Exchange Transactions

Assets and revenue arising from non-exchange transactions are recognised in accordance with the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, except where interpreted or adapted to fit the public sector are detailed in the Code and/or IPSAS 23, "Revenue from Non- Exchange Transactions (Taxes and Transfers)."

Taxation transactions - Assets and revenue arising from taxation transactions are recognised in the period in which the taxable event occurs, provided that the assets satisfy the definition of an asset and meet the criteria for recognition as an asset.

Non-taxation transactions - Assets and revenue arising from transfer transactions are recognised in the period in which the transfer arrangement becomes binding. Services in-kind are not recognised. Where a transfer is subject to conditions that, if unfulfilled, require the return of the transferred resources, the Police and Crime Commissioner recognises a liability until the condition is fulfilled.

Basis of Measurement of Major Classes of Revenue from Non-Exchange Transactions - Taxation revenue is measured at the nominal value of cash, and cash equivalents. Assets and revenue recognised as a consequence of a transfer are measured at the fair value of the assets recognised as at the date of recognition:

- Monetary assets are measured at their nominal value unless the time value of money is material, in which
 case present value is used, calculated using a discount rate that reflects the risk inherent in holding the
 asset; and
- Non-monetary assets are measured at their fair value, which is determined by reference to observable market values or by independent appraisal by a member of the valuation profession. Receivables are recognised when a binding transfer arrangement is in place but cash or other assets have not been received.

22. **VAT**

Generally, the Comprehensive Income and Expenditure Statement excludes VAT as any collected is paid to HM Revenues and Customs and any VAT paid is recoverable from them. Value added tax is included in the Comprehensive Income and Expenditure Statement only if it is irrecoverable.

23. Fair Value

The Police and Crime Commissioner measures some of his financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability. The Police and Crime Commissioner measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Glossary of Terms

Accounting Policies

These are the set of rules and codes of practice we use when preparing the accounts.

Accrual and Pre payment

A sum included in the final accounts to cover income and expenditure attributable to the accounting period, but for which payment has been or will be made/ received in a different accounting period.

Budget

A statement of the Police and Crime Commissioner's plans in financial terms. A budget is prepared and approved by the Police and Crime Commissioner before the start of each financial year and is used to monitor actual expenditure throughout the year.

Capital Expenditure

Expenditure on new assets or on the enhancement of existing assets so as to prolong their useful life or enhance market value.

Capital Receipts

Proceeds of not less £10,000 from the sale of fixed assets. They may be used to finance new capital expenditure or repay debt. They cannot be used to finance normal day to day revenue spending.

Contingent Liabilities/Assets

These arise from a past event which is dependent upon future uncertain events and timing prior to being recognised in the accounts.

Creditors

Amounts owed by the Police and Crime Commissioner at 31 March for goods received or services rendered but not yet paid for.

Debtors

Amounts owed to the Police and Crime Commissioner which are collectable or outstanding at 31 March.

Depreciation

The loss in value of an asset due to age, wear and tear, deterioration and obsolescence.

Direct Revenue Funding of Capital

Contributions from revenue to finance capital expenditure and thus reduce the requirement to borrow.

Earmarked Reserves

Amounts set aside for a specific purpose to meet future commitments or liabilities.

Fair Value

The amount for which asset could be exchanged, or a liability settled, between market participants at a specified date.

Financial Instruments

Any contract that gives rise to a financial asset of one entity and a financial liability, or equity instrument of another entity.

International Accounting Standard (IAS)

Standards for the preparation and presentation of financial statements created by the International Accounting Standards Committee.

International Financial Reporting Standards (IFRS)

International Financial Reporting Standards, as agreed by the UK accountancy profession and the Accounting Standards Board. These include Statements of Standards Accounting Practice (SSAPs).

Impairment

A reduction in the carrying value of a fixed asset below what it is currently recognised within the balance sheet (see accounting policies).

Liquid Resources

Current asset investments that are readily disposable by the Police and Crime Commissioner without disrupting business and are either readily convertible to known amounts of cash at or close to the carrying amount, or traded in an active market.

Minimum Revenue Provision

The prudent amount provided to offset against borrowing under the prudential framework.

Net Debt

The Police and Crime Commissioner's borrowings less cash and liquid resources.

Non-Current Assets

Assets that yield benefits to the Police and Crime Commissioner and the services it provides for a period of more than one year.

Non-Domestic Rates (NDR)

This is the charge levied on occupiers of business premises to finance a proportion of local Police and Crime Commissioner and police revenue expenditure. The amount of NDR is set by central government by virtue of a multiplier applied to the rateable values. The multiplier is consistent throughout Wales with the total collected being distributed by the central government.

Non-operational Assets

Fixed assets held by the Police and Crime Commissioner but not directly occupied, used or consumed in the delivery of services.

Operational Assets

Fixed assets held and occupied, used or consumed by the Police and Crime Commissioner in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

Outturn

The actual income and expenditure during the financial period as opposed to that budgeted.

Private Finance Initiative (PFI)

A contract involving the private sector and public sector jointly to deliver public services.

Precept

A levy which the Police and Crime Commissioner makes through the council tax to pay for services.

Provision

A liability for which monies are set aside when it is recognised that there is an obligation to pay but the timing or amount may be uncertain.

Public Works Loan Board (PWLB) (part of the UK Debt Management Office)

A government agency which provides longer term loans to local authorities at interest rates only slightly higher than those at which the government itself can borrow.

Remuneration

All amounts paid to or receivable by a person, and includes sums by way of expenses allowances (so far as these are subject to UK income tax) and the estimated money value of any other benefits received by an employee otherwise than in cash.

Reserves

Amounts set aside to cover general expenditure needs in the future. These can be usable or unusable (which are reserves held in conjunction with accounting treatments).

Revaluation

Carried out to ensure assets are accurately reflected in the accounts at fair value.

Revenue Expenditure

Spending on day to day items, including salaries, premises costs, transport and supplies and services.

Revenue Support Grant

A grant paid by central government in support of a Police and Crime Commissioner's revenue expenditure.

Slippage

Delayed capital expenditure not incurred within the original time frame.

Supported Borrowing

An approval issued by the Government that enables a Police and Crime Commissioner to borrow up to a specific amount in order to finance capital expenditure.

Unsupported Borrowing

Borrowing arranged under the prudential code regime which is funded from the Police and Crime Commissioner's general resources.

Usable Capital Receipts

Income from the sale of assets that is available for use to finance only capital expenditure.

Annual Governance Statement 2020-2021

- 1.1. The Police and Crime Commissioner and the Chief Constable have joint governance arrangements. Therefore, many of the controls are common to both corporations sole. The Police and Crime Commissioner and Chief Constable have a Joint Governance Board to ensure that they fulfil their corporate governance responsibilities. The Board is chaired by the Police and Crime Commissioner's Chief Finance Officer and attended by senior officers of both Police and Crime Commissioner and Chief Constable. The purpose of the Joint Governance Board, therefore, is to enable the Police & Crime Commissioner and Chief Constable to fulfil these responsibilities by ensuring the corporate governance structures, processes and procedures of the OPCC and Force are robust, efficient and effective; comply with all relevant legislation, regulations and guidance; and reflect best practice. The Board also collates and documents the evidence to produce this Annual Governance Statement. The Board met four times during 2020-2021. During 2019-2020, a separate review of governance was undertaken, and actions arising from the review were begun immediately. The work continued during 2020-2021 and the recommendations were fully implemented by the end of the year, with continuous assessments being made as recommended in the review.
- 1.2. The Police and Crime Commissioner and the Chief Constable have a Scheme of Consent, which has been in place since 1 April 2014 and was reviewed and revised in September 2019. The aim of this Scheme is to provide for proper arrangements for the management of activities on behalf of the Commissioner and the Chief Constable. The Commissioner has a statutory duty and electoral mandate to ensure an efficient and effective police service and to hold the Chief Constable to account on behalf of the public. The Commissioner is responsible for the totality of policing. The Chief Constable is charged with the impartial direction and control of all police officers and staff within the police force that they lead and is responsible for maintaining the Queen's Peace. The Chief Constable holds office under the Crown, but is appointed by the Commissioner. This Scheme was in effect throughout the financial year and has been agreed by all the named Senior Officers within the Scheme and the Chief Constable and Police and Crime Commissioner for North Wales.
- 1.3. Both the Police and Crime Commissioner and the Chief Constable are required to have a Chief Financial Officer to undertake the statutory section 151 responsibilities. There is an established Joint Audit Committee; the purpose of the Committee is to provide independent advice and recommendation to the Police and Crime Commissioner and the Chief Constable regarding the adequacy of the governance and risk management framework, the internal control environment and financial reporting. The Joint Audit Committee had an ongoing remit tracking progress of the Governance review as it progressed in 2020-2021.
- 1.4. Each force area has a Police and Crime Panel to support the effective exercise of the functions of the police and crime commissioner, and to review or scrutinise decisions made, or other actions taken, by the police and crime commissioner in connection with the discharge of the commissioner's functions. The Commissioner will also be required to consult with the Panel on his plans and budget for policing, as well as the level of council tax and the appointment of a Chief Constable, Chief Executive Officer, Chief Finance Officer and Deputy Police and Crime Commissioner. The panel is made up of ten local councillors and two co-opted independent members, however in September 2016 the Panel appointed a third co-opted independent member following a recruitment campaign. The increase was sanctioned by the Home Secretary. Conwy County Borough Council is the 'Host Authority' for the North Wales Police and Crime Panel and provides the required support services for the effective operation and discharge of duties of the Police and Crime Panel.
- 1.5. Governance is about how the Police and Crime Commissioner and the Chief Constable ensure they are doing the right things, in the right way for the right people, in a timely, inclusive, open and accountable manner. It comprises the systems, processes, culture, behaviour and values, by which the organisation is directed and controlled and also the activities by which it is held to account and engages with the community it serves. This Annual Governance Statement (AGS) for the Police and Crime Commissioner and the Chief Constable describes how the organisation can show it has discharged its two overarching statutory duties during 2020-2021:
 - To secure an effective and efficient police service and
 - To be accountable for the exercise of their functions and those of people under their direction and control.

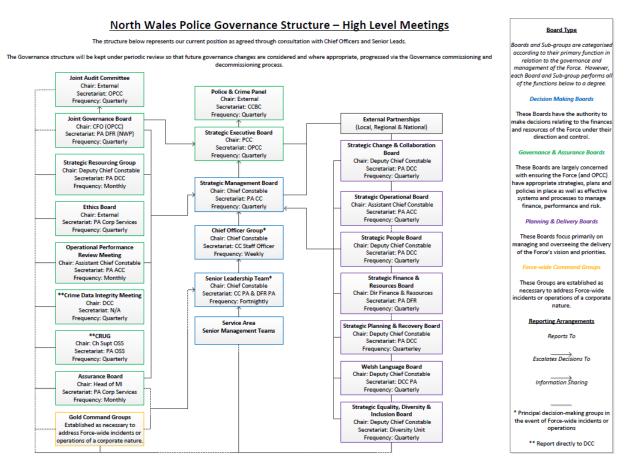
- 1.6 The Covid-19 pandemic was described as a "Public Health Emergency of International Concern" on 31 January 2020. Restrictions aimed at reducing the spread of Covid-19 were announced by the government on 23 March 2020 with the Coronavirus Act receiving Royal Assent on 25 March 2020. The impact on the governance process is reflected where appropriate throughout this report.
- 1.7 A Covid-19 Gold, Silver, Bronze response command structure was set up within the Force and established regionally as part of the North Wales Local Resilience Forum (LRF) with the Strategic Co-ordination Group (which was responsible for leading on the multi agency response to Covid-19) being chaired by a Police Gold Commander. It also featured formally within the Force's risk management framework and was a key factor in operational decisions considering the implications for capacity and capability for various functions within the Force. The Police and Crime Commissioner also published a <u>Covid-19 Response Plan</u>.
- a. During 2020-2021, Covid-19 has continued to have a significant bearing on the organisation's working practices transforming them for both the Office of the Police and Crime Commissioner and North Wales Police to accommodate social distancing and other public health measures. In addition, operational decision making within the police service has continued to be led by the governance structures established towards the end of 2019-2020. providing a clear line of sight for related decision making including oversight of demand, capability and capacity pressures created by Covid-19. To ensure clarity around governance arrangements was retained during Covid-19 the Police and Crime Commissioner published a 2020-2021 Covid-19 response plan in May 2020 ensuring that clear accountability remained in place.
- b. More recently HMICFRS inspections exploring the effectiveness of decision making during Covid-19 have been announced along with a number of other more focussed reviews that will explore the effectiveness of the Governance and decision making in other areas. HMICFRS plays a key role in informing the Chief Constable, the Commissioner and the public on the efficiency and effectiveness of their forces and, in so doing, facilitate the accountability of the PCC to the public. Whilst, Covid-19 has had a disruptive impact on the work undertaken by HMICFRS the force has remained focussed on the areas for improvement identified in earlier inspections.
- c. 2020-21 also marked the first year that the force undertook a self-assessment against the CIPFA Financial Management (FM) Code of practice. The assessment concluded that both the Police and Crime Commissioner and the Chief Constable were compliant with the FM Code, further reference is made in the sections to follow. Whilst the assessment was one of compliance, any areas for continuous improvement identified are being progressed incidentally to the process. Internal Control activity primarily in the form of TIAA's Internal Audit programme was also able to progress albeit primarily through a remote delivery model.
- d. Looking beyond the Covid-19 restrictions a Strategic Recovery & Planning Board, chaired by the Deputy Chief Constable, has been added to the Force's Governance structure with the OPCC also having representation on that board ensuring that the activity driving the recovery is suitably strategically aligned. Progress has been reported to the Joint Audit Committee during 2020-2021. Furthermore, work has been undertaken around Business Continuity Planning and Resilience beyond the specific impact of Covid-19 with this work continuing to be progressed across the Force.

2. Purpose and scope of responsibility for the Governance Framework

- 2.1. The Police and Crime Commissioner and the Chief Constable are responsible for ensuring their business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used effectively, efficiently and economically. They also have a duty to make arrangements to secure continuous improvement in the way in which their functions are exercised.
- 2.2. In discharging their overall responsibility, the Police and Crime Commissioner and the Chief Constable are also responsible for putting in place proper arrangements for the governance of their affairs and facilitating the exercise of their functions, which 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 CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and Chief Finance Officer of the Chief Constable and the Home Office Financial

Management Code of Practice for the Police Forces of England and Wales and Fire and Rescue Authorities created under Section 4A of the Fire and Rescue Services Act 2004 (revised 2018).

- 2.3. This statement explains how the Police and Crime Commissioner and the Chief Constable have complied with the Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government updated in 2016 and also meets the requirements of the Accounts and Audit (Wales) Regulations 2014 as amended, in relation to the statement of internal control and the publication of the Annual Governance Statement.
- 2.4. The governance framework comprises the systems and processes, culture and values by which the Police and Crime Commissioner and the Chief Constable are directed and controlled and its activities through which it accounts to, engages with and leads its communities. The framework enables the Police and Crime Commissioner and the Chief Constable to monitor the achievement of their strategic objectives and consider whether those objectives have led to the delivery of appropriate, cost effective services and the achievement of value for money.
- 2.5. 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 prevent all risk of failure to achieve policies, aims and objectives; it can provide only reasonable rather than absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the organisation's aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, to manage them efficiently, effectively and economically.
- 2.6. The governance framework has been in place throughout the year ended 31 March 2021 and up to the approval of the Statement of Accounts. A more formal self-assessment of its efficiency and effectiveness is being progressed under the oversight of the Joint Governance Board with Internal Audit providing a written confirmation of the adequacy of the Governance arrangements as part of their annual audit opinion. However, the areas of both Corporate Governance and Risk Management were subject to continued scrutiny and challenge via the Joint Governance Board and the Joint Audit Committee over the course of 2020-2021. As a result the approach in both areas has developed with further work planned for 2021-2022 and subsequently being progressed and monitored. The high level Governance structure of the force is outlined schematically below:



North Wales Police Governance Structure, Corporate Services

3. CIPFA Principles of Good Governance and the Financial Management Code

The CIPFA/SOLACE Framework: Delivering Good Governance in Local Government sets out seven principles of good governance which underpin effective governance arrangements to ensure that the intended outcomes for stakeholders are defined and achieved.

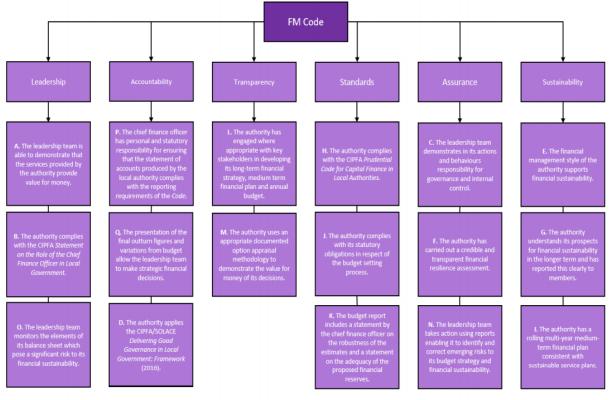
The arrangements specific to the Police and Crime Commissioner and Chief Constable are detailed within the seven principles below:



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The sections that follow, review the arrangements in place across the force and their adequacy, cross referencing the sections outlined on the diagram above.

Furthermore (and in part discharging an action identified in the previous AGS action plan) during 2020-21, the Force undertook a self assessment against the CIPFA Financial Management Code for the first time. The code provides guidance to support good and sustainable financial management in local authorities (and other designated bodies such as policing) to support them to demonstrate their financial sustainability. The key elements of the code against which the Force's position was assessed are outlined below.



The Financial Management Code: The Practicalities of Compliance, CIPFA

Findings from this assessment were reported initially to the Joint Governance Board and subsequently to the Joint Audit Committee with relevant findings relating to the arrangements in place also referenced in the sections to follow.

3.1. Ethics and Integrity

There are corporate processes in place to support the core principle of ethics and integrity such as the Policing Protocol 2011 which requires everyone in the organisation to abide by the seven principles of public life (the Nolan principles). Additionally, the Home Office Financial Management Code of Practice requires the Police and Crime Commissioner and Chief Constable to ensure that good governance is embedded within the organisations and the College of Policing Code of Ethics sets out the standards of behaviour expected for all people working in policing.

The Police and Crime Commissioner's Code of Conduct and Chief Constable's Code of Ethics underpin the standards of expected conduct and behaviour. The Police and Crime Commissioner and Chief Constable have policies and procedures and regulations in place that comply with law and conform to appropriate ethical standards and standards of professional behaviour. Ethical considerations are part of any business decisions taken and are set out within policies in operation within both organisations.

The Police and Crime Commissioner and Chief Constable have an Anti-Fraud and Corruption Policy and whistleblowing arrangements in place which manage effectively the risk of fraud and corruption. Processes for declaring interest and registers for gifts and hospitalities are maintained and updated as required. Both the Joint Audit Committee and the Police and Crime Panel discharged fully all the functions as identified in the relevant CIPFA

publication for Audit Committees. The Joint Audit Committee's Terms of Reference may be found on the Police and Crime Commissioner's website.

The Police and Crime Commissioner has in place procedures for receiving feedback about policing in North Wales, and decisions made by or on behalf of the Police and Crime Commissioner and his officers. He also has procedures in place for the handling of complaints about the Chief Constable. Additionally, the Police and Crime Panel fulfils its responsibilities in relation to complaints made about the Police and Crime Commissioner as set out within the Police Reform and Social Responsibility Act.

To ensure ethical issues and dilemmas occurring at all levels are appropriately considered and discussed, the Force Governance Structure includes an Ethics Committee with an open invitation for the Office of the Police and Crime Commissioner to attend. Ethical dilemmas can be submitted anonymously via the Force Intranet site or by email and a summary of findings from the Committee are published on the Force Intranet site alongside being reported to Senior Management via the Governance structures for further consideration and reflection as required.

During 2020-21, in the pursuit of good practice, a new independent chair was appointed to the Ethics Committee and furthermore a governance framework to oversee and scrutinise the ethical implications associated with any use of Algorithms or Automated Decision Making was also established in Force with an appropriate reporting route through the Governance structures put in place.

3.2. Openness and Stakeholder Engagement

The Police and Crime Commissioner and the Chief Constable promote an open and transparent culture throughout the organisations to ensure that services meet people's needs. All public meeting papers and minutes are published on the website along with any decisions taken by the Police and Crime Commissioner. The Police and Crime Commissioner received a CoPaCC (Comparing Police and Crime Commissioners) transparency award for three consecutive years and secured this for a fourth year in August 2020. The most recent evaluation assesses not only whether the Police and Crime Commissioner publishes information on the website, but also whether it can be found and accessed easily.

The Police and Crime Commissioner is accountable to the people of North Wales to deliver an efficient and effective police service to the people of North Wales and the Chief Constable is accountable to the Police and Crime Commissioner to ensure that an effective police service is provided to the people of North Wales.

The Police and Crime Commissioner and the Chief Constable regularly publish information on the Commissioner's and Chief Constable's work and achievements and satisfaction of users, including the publication of a Police and Crime Plan and an Annual Report.

There is a consultation and engagement strategy in place to ensure that our services are responsive to issues raised. We regularly conduct surveys to inform our service delivery and assist in developing our priorities and objectives. Both the Police and Crime Commissioner and Chief Constable have internal and external consultation mechanisms in place which are used to inform and improve services. TIAA (the internal auditor) concluded a review of corporate communications for both the Police and Crime Commissioner and the Force in June 2020, which was assessed as "reasonable" assurance, and found that *comprehensive arrangements are found to be in place to ensure that Internal and External Communications strategies for the Force and Police and Crime Commissioner are effective.*

The Police and Crime Commissioner and Chief Constable work in partnership and collaboration with other organisations to achieve shared objectives and to ensure effective delivery of services which meet the needs of the organisations. Partnership and collaboration arrangements that are in place are monitored and kept under review to ensure that performance is achieved and objectives are met and stakeholder engagement is also a feature of our recruitment process for senior roles.

We have an effective scrutiny function, supported by evidence and data analysis, to challenge decision makers constructively, including those who work in partnership with the Commissioner and Chief Constable. All key decisions taken include a financial impact, legal impact, equality impact and risk assessment with the Governance structures in

place providing visibility around them and this continued to be the case during 2020-21. The Commissioner's decisions are published on his website, and are also reported to the Police and Crime Panel. The Police and Crime Commissioner frequently attends local authority scrutiny committees. Further scrutiny is provided by the Joint Audit Committee. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards with committee papers being published on the Commissioner's website. During 2019-2020 work was undertaken to develop the relevance and appropriateness of information provided to the Joint Audit Committee and this progressed further during 2020-2021. Independent scrutiny and challenge has been provided by the audit committee in a number of areas including the understandability of our financial statements; scrutiny of key decisions taken in relation to key Corporate risks (such as the Command & Control upgrade); and in relation to the Force's ongoing Digital work streams including the work stream responsible for developing its future ICT target operating model.

The post of Chief Executive to the Police and Crime Commissioner is the designated Monitoring Officer and there are arrangements to record any professional advice that is required for specialist areas.

Furthermore, the Chief Financial Officers for the Police and Crime Commissioner and the Chief Constable complied with the CIPFA statement 'the Role of the Chief Financial Officer of the Police and Crime Commissioner and of the Chief Constable'.

3.3. Defining Outcomes

The Police and Crime Commissioner and Chief Constable will, as part of the strategic planning process, develop informed strategies and plans which are outcome focused, sustainable and take into account the level of resources required to adequately deliver them.

The Police and Crime Commissioner sets the police and crime objectives and these are contained in the Police and Crime Plan. The Police and Crime Plan has been communicated to the public through the website and by various engagement activities and a brief summary of performance is included on the council tax leaflet sent to every household, either electronically or by post. A summary is given below, with the Commissioner's Covid Response Plan confirming the ongoing relevance of these priorities:

The police and crime objectives, priorities and financial options were developed from the Police and Crime Commissioner's vision and a joint analysis of:

- Consultation with local people

⁻ Assessment of crime and the required level of service

- Consultation with partners
- Consultation between the Police and Crime Commissioner and the Chief Constable
- The findings of external audit and reviews by Wales Audit Office and HMICFRS
- Risk assessment

The Police and Crime Commissioner's police and crime objectives are directed and delivered by the Chief Constable and, in turn, by the Strategic Management Board (SMB) during the year. Resources are allocated against the plan as part of the Force's annual strategic planning process which considers demand and resource requirements against each area taking account of detailed demand assessments (via the Force Management Statement) and then the Force monitors performance against its delivery utilising its Balanced Scorecard framework. The Commissioner's performance is monitored and reported within the Annual Report, Statement of Accounts and the Medium Term Financial Plan.

The Strategic Executive Board (SEB) is the public forum for scrutiny of the Chief Constable by the Police and Crime Commissioner and minutes of each meeting are published. The additional functions of the Board include:

- To take such decisions as are required by the Scheme of Governance to be taken jointly by the Commissioner and the Chief Constable; and
- To develop proposals for the delivery of the Commissioner's police and crime objectives as set out in the Plan.

The Strategic Executive Board (SEB) and Strategic Management Board (SMB) scrutinise operational and financial performance, service delivery and the achievement of the police and crime objectives. A programmed approach to delivery of plans is in place via the Strategic Management Board (SMB). These boards have continued to meet at the usual frequency – despite Covid-19's impact – with meetings being held remotely using appropriate technology to ensure they take place.

3.4. Determining Interventions

In order to optimise the achievement of our intended outcomes the Police and Crime Commissioner and Chief Constable will ensure that there are adequate arrangements in place to deliver services which demonstrate efficiency and value for money.

Detailed resource planning is carried out annually and published within the Medium Term Financial Plan. This risk assesses resource requirements based on appropriate assumptions to enable the Police and Crime Commissioner and Chief Constable to prioritise competing demands for services.

The annual strategic and operational planning cycle takes into account the expected level of resources required and identifies where savings and reductions are required. This is also informed by the Priority Resource Planning process, which was introduced in 2019-2020 (for the 2020-2021 budget) as an enabler for informed decision-making. The resources, savings and growth are risk-assessed and achievement of all plans and work streams is monitored through the Strategic Management Board which is chaired by the Chief Constable. The impact of Covid-19 means that the approach to Strategic Planning for FY 2021-2022 needed to be adapted and so a streamlined – but equally robust – approach to strategic planning was established by the Chief Constable with a greater emphasis on business planning being introduced for each area of business. Also of note, was the need to ensure the force planning process was positioned to deal with either a single year or 3 year CSR settlement. Due to Covid-19 it was decided that the CSR20 would be a single year settlement with the expectation for a further CSR taking place in 2021.

Programme and project boards are in place which monitor the implementation and achievement of agreed initiatives and plans. These are established to support robust decision making in order to achieve the required outcomes with programmes such as Digital Transformation and Workforce Transformation being critical to the overall delivery of organisational strategies. Decision making is devolved where appropriate to enable flexible and responsive action and better outcomes. Accountability is measured through the governance structure and processes in place with actions and decisions clearly recorded in meetings and progressed over the course of 2020-21. The Covid-19 pandemic necessitated the rapid adoption of agile working arrangements, and many staff and officers have been able to work from home since the lockdown began. Work to allow agile working was already in progress, and processes and governance had already been considered during the planning phase. The first lockdown, therefore, required an acceleration of the project rather than a fundamental change to our plans, with governance arrangements largely working well during the transition and this continues on an ongoing basis with constant reviews of the arrangements put in place taking place as part of the Recovery work stream which is planning to embed a greater degree of agility into the business as usual model.

3.5. Developing Leadership

The Police and Crime Commissioner and Chief Constable have defined structures and roles within the organisations to enable effective leadership. This is supported by the Manual of Governance which sets out the roles and responsibilities and is critical to enable delivery of the strategies and plans in place.

The governance arrangements have been developed in line with the Police Reform and Social Responsibility Act 2011, statutory Policing Protocol Order 2012, Home Office Financial Management Code of Practice (FMCP) and existing guidance on financial and governance matters which continue to apply. The Force Governance structures have also been scrutinised in 2019-2020 as part of the Governance review, with that work being developed further in 2020-2021.

There is an approved scheme of consent in place which formalises the functions and delegation between the Commissioner and Chief Constable. The governance structure supports the implementation of planned activities and outcomes and there is a defined meeting structure in place to ensure that planned outputs are achieved in a timely manner.

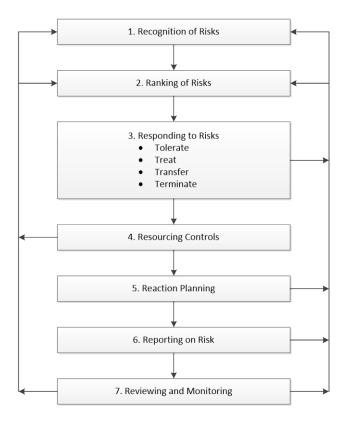
Our people are our key investment and we ensure that there are member and officer training and development programmes in place so that knowledge is kept up to date, including any professional development requirements. Our recruitment and succession planning processes are designed in order that we appoint the right people with the right skills into roles within the organisation. Focussing on our wellbeing, learning and development offer to our people remained a key area of focus during 2020-21 and the internal teams adapted their delivery models within the Force to ensure that the learning and development on offer wasn't compromised due to Covid-19.

Nationally set terms and conditions exist for officers and staff with agreed pay scales and a job evaluation system and we have a performance management framework which the Commissioner and Chief Constable use to assess performance and address any improvements required. Additionally, there is an annual self-assessment of effectiveness for the Joint Audit Committee.

3.6. Managing Risks and Monitoring Performance

Risk management and internal control is an integral part of the performance management system within both organisations. The risk management process underpins the financial management arrangements and governance processes and is fundamental to achieving our intended outcomes and supports our vision for a safer North Wales.

The below represents the 7R's and 4T's of risk management as noted in the ISO31000 and NWP risk arrangements follows this model.



There is an embedded risk management culture across the organisation and at all levels which continues to be developed and built upon. There are corporate and individual area risk registers which conform to approved national methodology and are regularly reviewed and updated and reported to committees and boards across the organisation. Risk management is a standing agenda item on all key boards across the Force. The Joint Audit Committee has continued to provide challenge and support to improve our risk management processes, with processes being developed over the course of 2019-2020 – including a Formal Risk Appetite document – and further development ongoing for 2020-2021 to included further development of our Risk Assurance Framework. The Risk Appetite document was reviewed and strengthened as part of its annual review in 2020-21.

Whilst a Pandemic risk is reflected on the Force Risk Register, Covid-19 has its own established risk register which sits beneath it, with a view to ensuring that risk in this area is being appropriately managed.

Our plans, processes and policies are drawn up having due regard to the risks identified, with our Force Management Statement including a MORILE assessment for all areas of the force. The area is overseen by the Assurance Board. A partnership framework is in place to ensure that any partnerships are managed appropriately including risk management.

Strategic risks and the risk management process are overseen and monitored by the Joint Audit Committee. Members of the Joint Audit Committee are able to review all risks for transparency. During 2020-21 a number of risk deep dives have been undertaken exerting scrutiny around key decisions and management actions being taken in relation the Force's corporate risks. The risk reports produced for the Audit Committee have also been an area of development over the course of 2020-21.

Internal Audit assesses the adequacy of our internal controls and reports fully to the independent Joint Audit Committee. Internal and external audit have examined and reported on compliance with applicable regulations and internal controls.

The Strategic Executive Board (SEB) chaired by the Police and Crime Commissioner and Strategic Management Board chaired by the Chief Constable scrutinise operational and financial performance, service delivery and the achievement of the police and crime objectives. A programmed approach to delivery of plans is in place via the Strategic Management Board.

Joint Audit Committee and Police and Crime Panel papers and minutes are available through the website of the Police and Crime Commissioner.

Effective arrangements are in place to ensure that data is safeguarded and appropriately collected, used, stored and shared. All data is subject to agreed retention policies and the security classification scheme in operation throughout the force. There is an established Information Security Board in place to monitor arrangements and effectiveness including ensuring that Strategy, Policy and Process are all clearly defined and any issues of compliance are appropriately reported. Any significant issues of compliance are escalated upwards, initially to the Strategic Finance & Resources board.

The Commissioner and Chief Constable have data protection and information security policies in place which are regularly tested and supported with a training programme for all staff. Our Internal Audit function and HMICFRS provide further periodic scrutiny in this area.

There are information sharing protocols between the Commissioner and Chief Constable and also with our partners.

3.7. Demonstrating Effective Accountability

The Police and Crime Commissioner and Chief Constable ensure that decision-makers involved in service delivery are accountable to them through the processes in place in both organisations. The Governance framework and the associated internal control framework provide a robust mechanism for retaining oversight of the key decisions being made. During 2020-21 the Force budget guidance document and associated financial delegations documentation has been updated and developed with a view to ensuring that the documents issued, match up to the Force's changing environment and demands.

Standardised reporting templates are used to ensure that information is presented in an efficient but sufficient manner and to enable effective decision making and an annual report is prepared and published which assesses the performance against the Police and Crime Plan.

The Police and Crime Commissioner's and Chief Constable's websites publish information which is pertinent to the public and stakeholders, ensuring the transparency needed for external accountability to be effective, is in place. The internal audit service reports to the Joint Audit Committee and has direct access to the Police and Crime Commissioner, Chief Constable and members. Recommendation for service improvements are acted upon and reported to the committee.

Independent and external reviews and inspections are routinely carried out by regulatory bodies and the reports are published and any recommendations made are acted upon.

4. Review of Effectiveness

- 4.1. The Police and Crime Commissioner and the Chief Constable have responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including the system of internal control. The review of effectiveness is informed by the work of the executive managers who have responsibility for the development and maintenance of the governance environment, the head of internal audit's annual report and also by comments made by the external auditors, the Police and Crime Panel, Joint Audit Committee and other review agencies and inspectorates. The review of Governance in 2019-2020 has led to a number of recommendations, the implementation of which was reported as complete in August 2021.
- 4.2. Covid-19 has unquestionably impacted on the Governance arrangements of the Force, but not in a way that has been detrimental to its robustness during 2020-21. This demonstrated the need to change and adapt the governance structures to ensure that they continued to match up to the organisational requirements. Technology has been embraced to ensure that internal governance has continued to operate effectively across both Corporation sole organisations. Furthermore, with the exception of HMICFRS inspections the fundamental independent scrutiny forums of the Joint Audit Committee; the Police & Crime Panel; the Ethics Committee; the Internal Audit Programme and External Audit, have all been able to exert appropriate scrutiny, albeit, sometimes via a different delivery model.

- 4.3. In accordance with regulations, the Police and Crime Commissioner and Chief Constable have reviewed the effectiveness of its internal audit service. In conclusion, the service has complied fully with all public sector internal auditing standards (PSIAS).
- 4.4 As part of our governance framework and to ensure that we review our arrangements for effectiveness, we established a Joint Governance Board, charged with monitoring the arrangements for compliance and to make recommendations for the development of the governance arrangements as may be required. The remit of reviewing the efficiency & effectiveness of the Governance framework is ongoing but the full objectives of the Joint Governance Board are listed below:
 - To ensure a continual review the adequacy and appropriateness of the governance arrangements ensuring that they operate Efficiently and Effectively.
 - To oversee the production, management and review (as necessary) of the high-level corporate governance documents of the Office of the Police and Crime Commissioner and Force, specifically the Manual of Governance and its constituent parts.
 - To co-ordinate, oversee and review (as necessary) the corporate governance structures of the Office of the Police and Crime Commissioner and Force and their associated processes and procedures.
 - To review all recommendations relating to corporate governance arising from internal and external audits and inspections and consider their implications for the corporate governance arrangements of the Office of the Police and Crime Commissioner and Force.
 - To review any Client Briefing Notes issued by the Internal Auditor and consider their implications for the corporate governance arrangements of the Office of the Police and Crime Commissioner and Force.
 - To oversee and co-ordinate the preparation of the Annual Governance Statements of the Police & Commissioner and Chief Constable.

To make any recommendations to the Police & Crime Commissioner and Chief Constable on any matter relating to the corporate governance arrangements of the Office of the Police and Crime Commissioner and Force, where action or improvement is required.

- 4.5 During 2020-21, the organisations have progressed the action plan identified as part of the last AGS. A full analysis of the position against these actions is included in section 5 below, but the progress made has strengthened the Governance arrangements in place further.
- 4.5 Internal Audit carried out their annual service review of our key financial systems in 2020-2021 and provided generally positive reports during the year as listed below:

System	Assurance Level
Collaborative Risk Management – Mitigating Controls	Reasonable
Collaborative Budgetary Control	Substantial
Collaborative Project Review - Office 365	Reasonable
Collaborative Vetting of Contractors	Substantial
Creditors	Substantial
General Ledger	Substantial
Payroll	Substantial
Pensions	Substantial
Treasury Management	Substantial
Expenses & Additional Payments	Reasonable
Anti-Fraud Procurement	Substantial
HR/Workforce Management - Organisational Development	Substantial
ICT - Data Assurance	Substantial
Procurement - Strategic Lead	Substantial
Command Unit - Eastern Area	Reasonable
Property Subject to Charge	Limited
Fleet - Fuel	Reasonable
Fleet - Repairs	Reasonable
OHU Review	Advisory
Collaborative Governance - Yr 1 Strategic Resource Planning	
ICT - Infrastructure Review	

Internal Audits delivered FY2020-21

The annual report concluded:

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.

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 North Wales and the Chief Constable North Wales Police from its various sources of assurance.(to be confirmed in Internal Audit Annual Report verbal assurance given at time of signing accounts)

4.7 The Wales Audit Office annual audit letter for 2019-2020 gave an unqualified opinion on the accounts for the Police and Crime Commissioner and the Chief Constable and recorded that they had not identified any significant weaknesses in the overall framework. It also concluded that the Police and Crime Commissioner and Chief Constable had appropriate arrangements in place to secure economy, efficiency and effectiveness in the use of their resources.

5. Governance Action Plan and Progress

5.1. In assessing the governance arrangements that are in place, the Governance Board will also develop and monitor any action plans to address any governance issues identified or where improvement to current arrangements is required. The areas to be covered in the 2021-2022 plan can be seen in the Appendix below.

5.2. The action plan for 2020-2021 contained areas for improvement. These are detailed below with their progress and current status.

Recommendation	Action	Current Status -complete Y/N?
Compliance with the CIPFA Financial Management (FM) Code	The Financial Management Code is designed to support good practice in financial management and to assist local authorities in demonstrating financial sustainability. The first full year of compliance is 2021-2022, therefore by 31 March 2021 the aim is to review current processes against the Code and implement any required changes.	Yes. Review completed and will now become an annual assessment.
Governance Review	A review of governance was undertaken during 2019-2020. The recommendations of this review are to be implemented during 2020-2021. This will be monitored and assessed via the Strategic Management Board, the Strategic Executive Board and the Joint Governance Board.	Yes. Recommendations implemented with actions reported as complete in August 21 and continuous review now in place.
Assurance Framework	A pilot of an enhanced assurance framework will commence within the Finance & Resources Directorate. Subject to the outcome of the pilot a revised assurance framework will be rolled out across North Wales Police. Our Risk Appetite will be agreed and documented.	No – The Risk Assurance Pilot has been undertaken but the wider roll-out of the assurance framework is not complete. Yes – Risk Appetite has been agreed & documented.

6. Conclusion

- 6.1. No statement of internal control can provide absolute assurance against material loss; this statement is intended to provide reasonable assurance.
- 6.2. However, on the basis of the review of the sources of assurance set out in this statement, we are satisfied that the North Wales Police and Crime Commissioner had in place satisfactory governance arrangements, including appropriate systems of internal control and risk management which facilitate the effective exercise of his functions.

Signed:

Andy Dunbobbin Police and Crime Commissioner **Stephen Hughes** Chief Executive Officer to the Police and Crime Commissioner

ANNUAL GOVERNANCE STATEMENT - PLAN

The review of governance has recognised that our governance arrangements are satisfactory and meet our needs. The delivery of our vision will challenge our governance arrangements and attention to a number of issues will assist in strengthening those arrangements. The following areas are to be addressed in 2021-2022:

Issue	Actions
Risk Assurance Framework Development	Following the Finance & Resources pilot in 2019-20 the timeline for rolling out the Risk assurance framework across the Force will be established against a context of Covid- 19.
	The Risk Assurance Framework will be subsequently rolled out across the Force.
COVID-19	
The coronavirus pandemic presents a number of challenges to the Police and Crime Commissioner and Chief Constable. There is a need to maintain governance throughout this period of uncertainty, in a way which does not impede the Force's response to the situation and does not put officers, staff or the public at unnecessary risk.	Ensure that the ongoing impact of Covid-19 on Governance arrangements is reviewed and assessed. Ensure that the Strategic Recovery Board is embedded as a means of providing robust oversight of the organisation's Recovery and Planning process. Embed the Strategic Recovery & Planning Board.
The Police and Crime Commissioner has published a <u>Covid-19 Response Plan</u>	
Governance: Efficiency & Effectiveness	
The Joint Governance Board has identified the need to formally review the Efficiency and Effectiveness of the new governance structure.	Undertake a review of the Efficiency and Effectiveness of the new governance structure, reporting findings to the Joint Governance Board

The independent auditor's report of the Auditor General for Wales

to the Police and Crime Commissioner for North Wales

Opinion on financial statements

I have audited the financial statements of:

- Police and Crime Commissioner for North Wales;
- Police and Crime Commissioner for North Wales Group: and
- North Wales Police Pension Fund.
- for the year ended 31 March 2021 under the Public Audit (Wales) Act 2004.

The Police and Crime Commissioner for North Wales financial statements comprise the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Movement in Reserves Statement, the Cash Flow Statement, and the related notes, including a summary of significant accounting policies.

The Police and Crime Commissioner for North Wales Group financial statements comprise, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet, the Group Movement in Reserves Statement, the Group Cash Flow Statement and the related notes, including a summary of significant accounting policies.

North Wales Police Pension Fund's financial statements comprise the Fund Account and the Net Assets Statement.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020-21.

In my opinion the financial statements:

- give a true and fair view of the financial position of Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales Group and the North Wales Police Pension Fund as at 31 March 2021 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020-21.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales' Group and the North Wales Police Pension Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales' Group and the North Wales Police Pension Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent

otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020-21; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales Group and the North Wales Police Pension Fund and their environments obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the joint Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts the responsible financial officer is responsible for the preparation of the statement of accounts, including the Police and Crime Commissioner for North Wales Group's financial statements and the North Wales Police Pension Fund 's financial statements, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales Group and the North Wales Police Pension Fund's and ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

• enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales Group and the North Wales Police Pension Fund's policies and procedures concerned with:

 identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;

• detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

• the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

• considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following area: management override; and

• obtaining an understanding of the Police and Crime Commissioner for North Wales's framework of authority as well as other legal and regulatory frameworks that the Police and Crime Commissioner for North Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Police and Crime Commissioner for North Wales.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Joint Audit Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance; and

• in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales Group and the North Wales Police Pension Fund's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website <u>www.frc.org.uk/auditorsresponsibilities</u>. This description forms part of my auditor's report.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales Group and the North Wales Police Pension Fund in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales Code of Audit Practice.

Adrian Crompton	24 Cathedral Road
Auditor General for Wales	Cardiff
	CF11 9LJ

The maintenance and integrity of the Police and Crime Commissioner for North Wales website is his responsibility; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

2019-2020 Actual	Description	2020-2021 Revised Budget	2020-2021 Actual
£'000		£'000	£'000
	Building Works		
101	Pwllheli Police Station Refurbishment	879	673
0	Vehicle Commissioning and Workshop	800	786
0	Force HQ Canteen	175	170
114	Wrexham DHQ Facility	0	0
485	Wrexham Town Facility	0	0
253	Sustainability Works	0	0
0	Retentions	25	7
0	Western Estates Area	0	33
27	Custody CCTV	0	0
99	Firearms Base works	10	0
1,079	Total Building Works	1,889	1,669
	Vehicles and Other Equipment		
1,760	Vehicle Purchase	1,850	1,724
118	Equipment	183	3
1,878	Total Vehicles and Other Equipment	2,033	1,727
	Information Technology and Communication Equipment		
1,238	Lap Tops and Desk Top Replacement	1,100	1,103
0	Lockers for charging and storage	50	37
11	DFU Server replacemnt	0	0
0	Airwave (replacement units)	79	59
406	Control Room Technology Replacement	0	0
19	Mobile Data Devices	0	0
114	Mobile Responder App	0	0
689	National Enablement Programme	430	413
94	Wifi	52	53
74	Digital Workplace Audio Visual	0	0
0	Digital Intelligence & Investigation	141	73
0	Nexus Memory Upgrade	13	0
127	Backup upgrade	30	30
0	Local Area Network	20	0
0	Unsupported Systems	86	0
42	Command and Control Upgrade	105	35
70	GIS update	0	0
533	Body Worn Video	59	59
3,417	Total Information Technology and Communication	2,165	1,862
6,374	Total Capital Expenditure	6,087	5,258

Summary Capital Expenditure and Funding 2020-2021

2019-2020 Actual £'000	Description	2020-2021 Revised Budget £'000	2020-2021 Actual £'000
	Funding of Capital Programme		
472	Home Office General Capital Grants	123	123
2,271	Revenue Contribution	2,691	2,846
1,460	Earmarked Reserves	539	0
310	Capital Receipts	55	88
1,861	Borrowing funded in revenue	2,679	2,201
6,374	Total Funding	6,087	5,258

NORTH WALES POLICE CHIEF CONSTABLE STATEMENT OF ACCOUNTS 2020 – 2021

Table of Contents

Narrative Report	3
Statement of Responsibilities for the Statement of Accounts 1	8
Expenditure and Funding Analysis 1	9
Comprehensive Income and Expenditure Statement	20
Movement in Reserves Statement	21
Balance Sheet	22
Cashflow Statement	23
Notes to the Chief Constable's Statement of Accounts	24
Police Pension Fund Account	2
Statement of Accounting Policies	3
Glossary of Terms	58
Annual Governance Statement 2020-2021 6	51
The independent auditor's report of the Auditor General for Wales7	'6

Narrative Report

Chief Constable's Accounts – Introduction from Chief Constable, Carl Foulkes

It remains a huge privilege to be the Chief Constable of North Wales Police and I write this introduction to our Annual Accounts Narrative Report knowing that one of my key duties is to ensure that the resources placed under my responsibility are used as efficiently and effectively as possible as we strive to deliver the best policing services that we can to the communities of North Wales. This has been highlighted during 2020-2021 as we faced the very different challenges due to the Covid-19 pandemic in serving and protecting our communities and I am hugely proud in the way that we have adapted as a team to make the best use of the resources at our disposal.

North Wales itself remains an area of great beauty, diversity, culture and popularity, with a dynamic mix of residents, those who work here and visitors. As a police force, we play an important role in supporting and protecting all sections of the community and the Covid-19 pandemic has presented us with a number of unique challenges to tackle over the course of the year.

Some of the challenges we faced over the past 12 months have been directly linked to our unique context and setting: with a population of circa 0.7m, the North Wales force area covers six geographic counties, namely Gwynedd, Anglesey, Conwy, Denbighshire, Flintshire and Wrexham and is serviced by a single Health Board, Betsi Cadwaladr University Health Board and by the North Wales Fire and Rescue Service and Authority. The area is also serviced by the National Probation Trust and the Welsh Ambulance Service Trust.

The area encompasses both urban and rural areas including two cities, the Snowdonia National Park, two significant ports in Holyhead in Anglesey and Mostyn in Flintshire, industrial regions and numerous busy towns, many of which attract a high volume of tourists during the summer months and other seasonal peaks in normal times.

2020-21 has confirmed that, if we are to deliver in our role of supporting and protecting all sections of our community to the levels that we aspire to – regardless of the challenging context that we are facing into - then we must ensure that we use our resources in the way that allows us to most effectively deliver on our strategy. Finally, any introduction from me wouldn't be complete without me passing my thanks on to the wider North Wales Police team for their unwavering efforts and commitments over the past year.

Chief Constable's Accounts – Narrative Report by the Director of Finance & Resources, Seb Phillips

INTRODUCTION

Inevitably the Chief Constable's introduction above, positions Covid-19 as a critical factor driving events over the 2020-21 financial year. It would be easy for the narrative report to follow to focus almost exclusively on that aspect. However, it has a broader purpose and the Narrative report aims to provide a commentary around how resources have been used by the organisation to achieve its desired outcomes and deliver on its strategy despite the context that it has faced. It is subject to independent scrutiny by our appointed external auditors and the aim is to produce a report that is fair, balanced and understandable.

To that end the narrative report starts by clarifying the responsibilities of the Police & Crime Commissioner and Chief Constable with sections on the organisation's Strategic Priorities, Operational and Financial Performance, Future Outlook and important content relating to the main Statement of Accounts then following on within the report.

With regard, to the review of financial performance in particular, there is a need to reference figures external to this report to deliver an overall analysis of the position. The Code of Practice on Local Government Accounting in the United Kingdom 2020-2021 (CIPFA/LASAAC) provides us with guidance on how we should prepare our accounts to comply with International Financial Reporting Standards and also in line with legislation.

While we must comply with these requirements in preparing our Statement of Accounts, for the purposes of effectively monitoring our income and expenditure, we measure our financial performance in the year by comparing our budget with our outturn (actual income and expenditure in the year) and ultimately the impact of this on usable reserves at Group level.

The review of financial performance in the section that follows analyses performance against those budgeted figures and also makes several references to figures that can be reconciled back to the Group (rather than Chief Constable) 2020-2021 Statement of accounts.

It is felt that preparing the narrative report in this way provides greater insight into the substance of the financial performance of the Force over financial year 2020-2021.

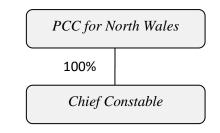
Following the Chief's lead, I would also like to pass my thanks onto the wider North Wales Police team. We have had no choice but to adapt to our environment and work differently over the past year but the team and organisation's focus on delivering against our wider strategy and more specific objectives has been unwavering throughout.

GOVERNANCE & RESPONSIBILITIES

2020-2021 marks the ninth year since the introduction of Police and Crime Commissioners in England and Wales, following the implementation of the Police Reform and Social Responsibility Act 2011.

In principle, the Act established both the Police and Crime Commissioner and the Chief Constable as corporations sole, each deemed a separate legal entity that can employ staff, enter into contracts and take part in legal proceedings. The Police and Crime Commissioner has the responsibility to secure the maintenance of an efficient and effective police force and will commission the delivery of this from the Chief Constable. The Act has also established Police and Crime Panels for each policing area whose role is to hold the Police and Crime Commissioners to account for their decisions and actions.

In practice the two corporations sole are required to prepare their own statutory single entity Statement of Accounts, in accordance with the Code of Practice on Local Authority Accounting and relevant International Financial Reporting Standards. The Police and Crime Commissioner is also required to produce a set of Group Accounts. The Police and Crime Commissioner is identified as the holding organisation and the Chief Constable is deemed a wholly owned subsidiary. A more detailed review of the governance arrangements in place is included later in this document in the form of the Annual Governance Statement but the nature of the group's structure is set out within the legislation and the preparation of the group accounts is in accordance with statutory accounting practice.



The Statement of Accounts for 2020-2021 provides a picture of the financial position at 31 March 2021 and a summary of the income and expenditure in the year to 31 March 2021.

NORTH WALES STRATEGIC PRIORITIES

Key objectives and performance priorities are set out in the Police and Crime Plan 2017-2021. The priorities in the plan have been developed in response to the areas of greatest threat, risk and harm facing North Wales following an extensive consultation process.

PCC elections were due to be held in May 2020, however, due to the COVID pandemic these were postponed until May 2021. The PCC produced a COVID Response Plan which confirmed that the priorities identified in the Police and Crime Plan 2017-2021 would remain in place.

These priority areas identified in the Police and Crime Plan 2017-2021 are:

- Domestic Abuse
- Modern Day Slavery
- Organised Crime
- Sexual Abuse
- Delivering Safer Neighbourhoods

As part of the Chief Constable's vison of making North Wales the safest place in the UK the following three additional priority areas were set:

- High Impact Crime including Serious Violence
- Contact handling and response
- Road Safety

Furthermore, as part of the COVID response plan the PCC set out a further five focus points in order to deal with the emergency situation, these were:

- 1. Ensuring the Chief Constable has sufficient resources to respond to the emergency
- 2. Ensuring, on behalf of our communities, that the police respond in ways that are necessary, sufficient, proportionate and ethical (holding to account)
- 3. Facilitating effective partnership working among agencies and groups working in community safety and criminal justice
- 4. Commissioning services, particularly for victims of crime, and providing grants for policing and harm reduction purposes
- 5. Ensuring that the long term health of North Wales Police is protected by monitoring the organisation's recovery planning and activity beyond the Covid-19 emergency

With the overall priorities set by the PCC, the Chief Constable's Delivery Plan sets out the specific actions North Wales Police will take to deliver these priorities. Of note is the importance of partnership working to tackle them.

All priority areas present issues beyond policing and an effective response can be delivered only in partnership as reflected in the schematic below:



The Police and Crime Plan 2017-2021 and the COVID response Plan are available on the PCC's Website <u>https://www.northwales-pcc.gov.uk</u>

The Chief Constable's 'plan on page' for 2020-2021 is outlined below:



OPERATIONAL PERFORMANCE

During 2020-2021 North Wales Police continued to deliver an effective policing service to our communities during challenging times. Despite the unique circumstances the force retained its focus on value for money both in terms of its response to Covid-19 and its wider approach to service delivery.

The schematic below provides a simple overview of some of the key facts and figures relating to the resources required to deliver an effective Police Service:



Notable operational achievements over the course of FY2020-2021 included:

- responding to the Coronavirus emergency;
- Recruiting of an additional 62 Officers to resource growth, meeting the Operation Uplift increase in Officers early in the financial year.
- Increasing resources and the associated capacity and capability within the Protecting Vulnerable People Unit;
- Establishing the new Economic Crime Unit within the force;
- Enhancing the capacity and capability of the force in the following areas:
 - Additional resources within the Major Crime Team;
 - Additional Response Officers;

- o Additional Training and Mentoring Officers;
- Additional Training and Health and Wellbeing Staff;
- Additional Corporate Support Officers and Staff;
- Additional Crime Intelligence Staff;
- Delivering substantial investment and progress in relation to Digital Transformation including a step change in the force's ability to operate in an agile manner;
- Investment and progress against the Force Estate's strategy including refurbishment of Pwllheli Police Station;

Impact of COVID 19

The impact of Covid 19 and the resulting lockdown periods had a large impact on the demands on Policing throughout 2020-2021. None of the priorities remained untouched by changes in demand or the influence of easing lockdowns.

As a whole, crime demand reduced by the order of 10% overall, with the crime types most affected being residential burglary, vehicle crime, sexual offences, and violence. Whilst domestic abuse was widely reported in the media as being a greatly increased issue due to lockdown, this manifested itself in calls to helplines, but not in police recorded crimes, which was the case nationally as well as within North Wales Police. However, on the first easing of lockdown in June 2020, there was an initial escalation in reporting levels of domestic abuse, which included a large number of historical and additional offences reported, supporting the view that these had been supressed during lockdown.

Residential burglary was not similarly affected by lockdown easing, and remains suppressed for the time being; potentially due to the increased levels of home working that persist. One area that increased during the lockdown periods was anti-social behaviour, with neighbourhood disputes becoming an increased factor.

As would be anticipated road related incidents reduced dramatically under lockdown conditions, but returned to normal quickly when restrictions were eased. Response times to immediate priority incidents improved during lockdown periods due to lower number of incidents.

Public safety and confidence

The annual public confidence survey was run in September and October 2020 and in addition to the usual questions about the public perception of policing, included additional questions about the Policing of Covid 19 lockdown periods.

- Over 9 in 10 (93%) residents were confident in North Wales Police generally, which is significantly higher by 4 percentage points when compared with the 2019 survey (89%).
- More than 9 in 10 (92%) residents felt safe from crime and disorder living in North Wales generally; with just over a third (36%) feeling very safe, and only 6% felt unsafe. The proportion of residents who felt safe is significantly higher by 6 percentage points when compared with the 2019 survey (86% in 2019).
- The proportion of residents who feel North Wales is safer than the rest of the UK has increased significantly by 8 percentage points to 80%, when compared with the 2019 survey (72% in 2019).
- Seven in ten (70%) residents feel that the police struck a good balance with regards to the application of COVID-19 lockdown rules and regulations. Around a quarter (23%) disagreed – with most arguing that the police have been too lenient (20%), although a small selection (3%) said that they have been too strict.

There has been significant, and at times very different, demand placed on the police service in 2020-2021 policing under COVID restrictions as well as dealing with the threats in crimes of terrorism, sexual exploitation and cyber-crime. During the 2020-2021 the Force had to re-align its priorities to deal with the COVID policing requirements, while also protecting the vulnerable in society in line with the priorities in the Police and Crime Plan 2017-2021.

Challenges still exist for the Police Service due to the level of imposed cuts over the last ten years coupled with continued uncertainty over government funding. The Police and Crime Commissioner has implemented a budget strategy to deliver the required savings over the period and as part of this has identified and delivered £2.358m of savings during 2020-2021. As part of the strategy, the level of reserves and provisions currently held is considered prudent and the general reserve of £5.417 million is slightly over 3% of the net revenue expenditure for the current

2021-2022 financial year which is within the acceptable range of 3% to 5% as defined in the Medium Term Financial Plan.

The Police and Crime Commissioner produces an Annual Report providing further detail regarding performance for the year which can be found <u>here.</u>

CORPORATE RISK

A Joint Risk Management Framework is shared by the Police & Crime Commissioner and Chief Constable to identify, evaluate and manage the risks faced by the respective organisations. The framework defines the steps that are required to gain the necessary understanding to support effective decision making.

Under the scrutiny of the Joint Audit Committee the Force has looked to develop its risk management framework over the course of the year. Over the course of the year the Corporate risk registers have tracked the emergence of new risk, the closing of existing risk and also changes in the risk level occurring over the course of the year. The risk management framework itself has also been the subject of an annual review which included developing the Force's Risk Appetite statement, strengthening the documentation and approach in this area.

As would be expected, a Pandemic risk features on the Force risk register and given Covid-19 events, a sub-Covid-19 risk register has also been created and monitored over the course of the year.

Other key Corporate Risks identified, tracked or monitored by the joint framework during 2020-2021 included: adequate financial resources being available to deliver service plans; potential impacts of EU exit, the impact of Covid-19 on service delivery, the potential impacts of Pension reform across Policing and various other risks associated with business change events.

Reviewing, monitoring and managing all these corporate risks on their merits over the course of 2020-21 has been especially important given the difficult context presented by Covid-19.

FINANCIAL PERFORMANCE

2020-2021 Budget

The Police and Crime Commissioner operated with a Net Revenue Budget of £163.705m for 2020-2021 which was formally set at a meeting of the Police and Crime Panel on 31 January 2020 and equated to a 6.12% increase to the base revenue budget consisting of:

- Increase in precepts of 4.89%;
- Increase in Government funding of 7.48% directed at increasing Officers numbers via Operation Uplift;

The CFO delivered a presentation and report for the panel outlining the precept proposal which was subject to scrutiny in the meeting. The precept proposal was approved unanimously.

The increase in Government Grants was directed towards recruiting, training, infrastructure and pay for an additional 62 Police Officers (Operation Uplift), with any unallocated amount in 2020-2021 to be used to fund future Uplift costs, this equated to £1.577m for North Wales.

2020-2021 Net Revenue Outturn & Net Transfer to Reserves

Actual net operating expenditure for 2020-2021 was an outturn of £157.991m resulting in a net transfer to Group revenue reserves of £5.714m which is 3.5% of the Net Revenue Budget of £163.705m. This transfer to reserves is split as per the below:

	£m
Earmarked Reserves	4.406
Forensic Collision Investigation Reserve	1.080
General Reserves	<u>0.228</u>
Net Transfer to Group Reserves	<u>5.714</u>

The overall net movement in Earmarked reserves is summarised below:

	£m	£m
Earmarked Reserves at 31 March 2020		19.974
Planned movements to earmarked reserves	-0.437	
New Earmarked Reserves	3.157	
FCIN Reserve	1.080	
Management of Change	1.686	
Net Movement		5.486
Earmarked Reserves at 31 March 2021		25.460

Further context for the Earmarked reserve net movement of £5.486m was:

- £0.437m being a planned and committed net movement from earmarked reserves;
- £3.157m being contributions mainly funded from Government funding for future events, namely Uplift £1.577m; Emergency Service Network (ESN) £0.158m; COVID and COVID Recovery £0.597m and Police Education Qualifications Framework (PEQF) £0.325m; and also £0.500m from delayed expenditure on training due to COVID going to the Training Reserve;
- £1.080m related to contributions to earmarked reserves relating to the Forensic Collision Investigation Network which North Wales Police host on behalf of all Policing areas;
- £1.738 being the net contribution to the Management of Change reserve;

The increase to the General Reserve of £0.228m represents the amount needed to ensure the General reserve is maintained at the minimum level of 3% of net revenue budget.

Analysis of Outturn v Total Budgeted Operational Expenditure

Operating expenditure for the year increased by 4.1% on prior year to £157.991m (2020-2021: £152.743m), however overall there was a £4.813m underspend variance to budgeted operating expenditure of £162.804m. This variance is further explained below.

	£m
Employee pay overspend	0.735
Employee other underspend	-1.024
Direct Pension underspend	-0.309
Premises underspend	-0.663
Transport underspend	-0.668
Inflation & General Contingency underspend	-0.250
Other non-staff underspend	-0.403
Additional income and recharges	-0.616
Additional Specific Grants Received	<u>-1.615</u>
Total revenue underspend	-4.813

The outturn position on spend and financing is provided in the table below with further explanation of the key variances to follow:

ACTUAL		BUDGET	ACTUAL	VARIANCE
2019-2020	REVENUE EXPENDITURE	2020-2021	2020-2021	+ (-)
£m		£m	£m	£m
132.819	EMPLOYEE COSTS	140.264	139.975	-0.289
2.833	POLICE PENSIONS	3.771	3.462	-0.309
33.817	NON STAFF RUNNING COSTS	36.246	34.159	-2.087
2.998	CAPITAL FINANCING	4.688	4.799	0.111
1.460	CAPITAL FINANCING FROM RESERVES	0.000	0.000	0.000
4.303	PCC COMMUNITY SAFETY FUND AND PARTNERSHIPS	5.208	5.200	-0.008
0.000	FCIN	1.306	1.306	0.000
-25.487	INCOME	-28.679	-30.910	-2.231
152.743	OPERATING EXPENDITURE	162.804	157.991	-4.813
2.184	TRANSFERS TO/-FROM EARMARKED RESERVES (REV)	0.901	5.486	4.585
-1.460	TRANSFERS TO/-FROM EARMARKED RESERVES (CAP)	0.000	0.000	0.000
0.797	TRANSFER TO/-FROM GENERAL RESERVE	0.000	0.228	0.228
154.264	NET EXPENDITURE	163.705	163.705	0.000
	FINANCED BY:			
73.234	TOTAL GRANTS	78.715	78.715	0.000
81.030	COUNCIL TAX PRECEPT	84.990	84.990	0.000
154.264	TOTAL FINANCING	163.705	163.705	0

Further Analysis of Revenue Outturn – Underspend £4.813m

Primary reasons for the underspend outlined above were as follows:

Employee costs – Pay Overspend £0.735m

The target recruitment of Police Officers towards the Operation Uplift increase was achieved early and maintained throughout the year. Planned additional recruitment above the target was put in place during the year in order to attain the target number of Officers early in 2021-22, which included some transferees. This led to increased costs when compared with the original budget. Staff vacancies were kept to a minimum throughout the year, with extra agency staff being employed to cover additional work relating to the COVID pandemic.

Employee other costs - Under spend £1.024m

The majority of the underspend relate to training (£0.738m). A training moratorium was put in place during the first lockdown period and external training reduced considerably during the whole year. Overtime was underspent by £0.145m as staffing levels were high and absence low during the year. The balance related to allowances.

Direct Pension Costs – underspend £0.309m. This related mainly to 3 fewer Ill Health Retirements than budgeted.

Non Staff running costs

The main variances are analysed below:

• Premises – Underspend £0.663m

Specific works of £0.394m were delayed. Energy budgets were underspent by £0.140m due to a combination of usage and price stability. An underspend of £0.110m resulted from a reduction in the PFI charge relating to the Life Cycle Fund previously held by the PFI providers.

- Transport Underspend £0.668m
 Car and Travel allowances were underspent by £0.227m as officers and staff worked from home, with less or no travel to meetings. Vehicles running costs were underspent by £0.441m, £0.329m of which related to fuel costs as fuel prices and usage in some areas outturned lower than budgeted.
- Inflation and General Contingency Underspend £0.250m Contingencies were held back in case of any non COVID requirements in quarter 4should they have materialised. Given they didn't contingencies were re directed to cover additional COVID costs rather than fund these costs from reserves.

• Other non staff – Under spend £0.403m

A number of headings underspent including Uniforms, Stationery, and other volume crime related costs as operational requirements changed.

Income - Additional income £2.231m

Significant items driving the variance include:

- Secondment and other re charges income £0.464m in excess of the budget.
- **Other income £0.308m** in excess of the budget as income improved in the second half of the year.
- Additional grant income £1.615m announced Q4 including COVID grants, ESN; and additional claims awarded for PCSOs and Security grants. A total of £1.468m COVID grants were received to support operational activities.

Office of the Police & Crime Commissioner – Underspend £0.102m

Included above is the cost of the Office of the Police and Crime Commissioner. The revised budget for the year was £0.930m and the outturn was £0.828m. The underspend related mainly to the Deputy Commissioner role being vacant; other significant underspends were experienced in travelling and office running costs, as all the staff worked from home and did not travel to meetings.

The Office of the Police and Crime Commissioner is responsible for commissioning services to support the Police and Crime Plan which amounted to £5.2m in 2020-2021. This was funded from the Commissioner's Community Safety budget and grants including Ministry of Justice grant to support victims of crime, and from Welsh Government for the VAWDASV programme. This expenditure was administered by the Office of the Police and Crime Commissioner during the financial year.

Forensic Collision Investigation Network FCIN

North Wales Police has agreed to host the FCIN in order to enable the accreditation of collision investigations nationally. All Policing areas in England and Wales have signed a collaboration agreement which includes the funding of the FCIN. 2020-2021 was the first year for FCIN, contributions and transfer of previous funds exceeded costs by £1.080m, this amount has been set aside within the reserves to fund future FCIN costs governed by the FCIN National Board.

Further Analysis of Capital Financing

The original Capital Budget was £9.906m, including the carry forward from 2019-20 this increased to £12.677m at the end of quarter 1. Due to a number of reasons as detailed below, and including the effect of COVID on internal and external resources, the projection was reduced to £8.491m at the end of quarter 2 and then to £6.087m at the end of quarter 3. Actual expenditure was £5.258m.

A summary is given below:

Capital Outturn 2020-2021	2020- 2021	2020- 2021	2020- 2021	2020- 2021	2020- 2021	2020- 2021
	Original	Original	Revised	Revised	Actual	Variance
	-	with C/F	Q2	Q3		from
	Budget	Budget	Budget	Budget		Q3
	£000	£000	£000	£000	£000	£000
Total Building Works	4,529	4,701	2,911	1,889	1,669	-220
Total Vehicles and Other Equipment	2,231	2,807	2,417	2,033	1,727	-306
Total Information Technology and Communication	3,146	5,169	3,163	2,165	1,862	-303
Total Capital Expenditure	9,906	12,677	8,491	6,087	5,258	-829
Home Office Grant	123	123	123	123	123	0
Revenue Contribution	2,413	2,553	2,690	2,691	2,846	155
Earmarked Reserves	1,608	3,506	1,403	539	0	-539
Capital Receipts	155	203	203	55	88	33
Borrowing for Estates	4,141	4,440	2,446	1,854	1,459	-395
Borrowing for replacement	1,466	1,852	1,626	825	742	-83
programme	1,400	1,052	1,020	025	742	-05
Total Funding	9,906	12,677	8,491	6,087	5,258	-829
Source of funding						
External sources	123	123	123	123	123	0
Own resources	4,176	6,262	4,296	3,285	2,934	-351
Debt	5,607	6,292	4,072	2,679	2,201	-478
TOTAL	9,906	12,677	8,491	6,087	5,258	-829

Key elements of the capital programme driving the figures are outlined below:

- **Building and Estates Work** The largest project was the refurbishment of Pwllheli Police Station, this was delayed by 3 months due to COVID, but being reoccupied in May 2021. Works within the HQ building in Colwyn Bay were completed. The site for a new Vehicle Commissioning Centre was purchased in the final quarter of the financial year, for development in 2021-2022. The key variances against the original budget were driven by deferral of expenditure in relation to Holyhead Police Station, the new VCC and Caernarfon Station.
- Vehicles and Equipment The vehicle replacement programme progressed well in 2020-2021, after facing considerable challenges with COVID affecting factories and deliveries, as well as the complications of Brexit on the supply chain. The majority of vehicles were delivered before the end of the year. Replacement of specific equipment was delayed but is expected to progress in 2021-2022.
- IT and Communications A substantial cross-cutting Digital and IT upgrade programme was commenced in 2019-2020 and continued in 2020-2021. This included implementation of personal issue lap top and body worn video equipment for officers who previously shared equipment, national projects, and other smaller upgrades and developments within the Force's infrastructure. The under spend of just over £2m in 2019-2020 reflects the complexity of the ambitious programme set at the beginning of the year, which includes inter-relationships between the individual schemes. Some of the projects are nationally driven which can result in delays beyond the Force's direct control. Work on the programme has continued in 2020-2021 with the programme remaining a key strand of to deliver its response to COVID and its wider strategy. The pandemic did have an effect on the programme with resources having to be redeployed to enable around 800 additional individuals to work from home from the start of the first lockdown. The key variances against original budget were driven by deferral of the Mobile App and associated Mobile Phone refresh expenditure and a deferral of some expenditure in relation to the Command & Control upgrade despite good progress being made.
- Some of the projects are nationally driven which can result in delays beyond the Force's direct control:
- The largest element of the IT programme was to provide Officers with 2 in 1 laptops as part of the Connected Officer and Digital Workplace Projects. These were being deployed in the last quarter of 2019-2020 which assisted with COVID policing, with the projects continuing throughout 2020-2021 and now nearing completion.
- One of the largest projects was the National Enablement Programme (NEP). The NEP is designed to provide
 policing with the tools and capabilities needed for the future (including tools such as Office365). Collaboration
 at a national policing level will be enabled allowing digital communications and mobile technology to be better

utilised locally, regionally and nationally. The NEP is being rolled out in 2021-2022 with the infrastructure already in place.

- A number of smaller projects were put on hold or delayed as priority was given to implementing the larger projects which were critical work streams for the wider organisation moving into 2021-2022 .
- During the COVID lockdown period a moratorium on ICT Changes was put in place on non COVID related IT developments which has resulted in a number of projects being carried forward into 2021-2022.

RECONCILIATION OF FUNDING AVAILABLE & GAAP

The earlier sections of this report shows how the funding available to the Police and Crime Commissioner (i.e. government grants and council tax) for the year have been allocated to provide services in comparison with the original budget set. It is on this basis that the expenditure and income is managed on a day to day basis.

However, the primary statements that follow within the Statement of Accounts are prepared and presented in accordance with generally accepted accounting practices, and show the accounting cost in year rather than the amount to be funded from taxation. The differences are detailed in Note 7 Adjustments between accounting basis and funding basis under regulations.

RESERVES, PROVISIONS, SOURCES of INCOME & BORROWING:

Reserves

The movement in Group reserves are shown in the table below:

Movement in Reserves 2020-2021	Balance at 31 March 2020 £m	Transfers Out 2020-2021 £m	Transfers In 2020-2021 £m	Total Movement 2020-2021 £m	Balance at 31 March 2021 £m
General Reserve	5.189	0.000	0.228	0.228	5.417
Earmarked Reserves					
Capital Reserve	3.002	0.000	0.000	0.000	3.002
Pensions ill health reserve	1.115	-0.140	0.000	-0.140	0.975
PFI Reserve	3.177	-0.071	0.000	-0.071	3.106
Major Incident Reserve	2.435	0.000	0.000	0.000	2.435
Insurance Reserve	1.173	0.000	0.000	0.000	1.173
Estates Security and Maintenance	2.279	-0.490	0.103	-0.387	1.892
Partnerships Balances Reserve	0.674	-0.050	0.109	0.059	0.733
Management of Change Reserve	5.290	-0.259	1.945	1.686	6.976
Training Reserve	0.100	0.000	0.500	0.500	0.600
Uplift Reserve	0.000	0.000	1.577	1.577	1.577
ESN Reserve	0.000	0.000	0.158	0.158	0.158
COVID Reserve	0.000	0.000	0.597	0.597	0.597
PEQF Reserve	0.000	0.000	0.325	0.325	0.325
FCIN Reserve	0.000	0.000	1.080	1.080	1.080
Commissioners Community Safety Fund	0.510	-0.089	0.087	-0.002	0.508
Legal Reserve (OPCC)	0.056	0.000	0.054	0.054	0.110
Office of the Police & Crime Commissioner Reserve	0.163	0.000	0.050	0.050	0.213
Total Earmarked Reserves	19.974	-1.099	6.585	5.486	25.460
Total Revenue Reserves	25.163	-1.099	6.813	5.714	30.877
Capital Receipts Reserve	0.054	-0.088	2.118	2.030	2.084
Total all reserves	25.217	-1.187	8.931	7.744	32.961

Usable Reserves – these are available for future expenditure (further details are in Note 7 and 8 of the Group statement of accounts)

Source: 2020-2021 Group Movement in Reserves Statement

The Police and Crime Commissioner's reserves are required to meet any unforeseen events, fund the revenue and capital plans of the Force over forthcoming periods and to facilitate changes and developments that are required to improve efficiency and effectiveness and meet new demands.

Challenges still exist for the Police Service, given the level of imposed cuts over the last ten years coupled with continued uncertainty over government funding and large scale national projects being implemented. The Police and Crime Commissioner continues to implement the budget strategy to deliver the required savings over the period and as part of this £2.358 million savings were identified and delivered during 2020-2021.

As part of the strategy, the level of reserves and provisions currently held is considered prudent and the general reserve of £5.417 million being slightly over 3% of the net revenue expenditure for the year is within the acceptable range of 3% to 5% as defined in the Medium Term Financial Plan.

There were a number of movements within the reserves during 2020-2021, with a number of new reserves being created to fund future one off and peak costs. Key elements in 2020-2021 to comment on in relation to Reserves and other long term funding are listed below:

Capital Reserve – No movement in 2020-2021 but the majority of this reserve is earmarked for the Command and Control system upgrade (which will continue to progress as work stream into FY2021-22) and other digital investments over the next two years.

Pension III Health Reserve Number of additional III Health retirements lower than expected triggering an adjustment to the contribution from reserves down from £0.425m to £0.140m. Anticipated IHRs mean that the balance is likely to be required in 2021-2022.

PFI Reserve – The Police and Crime Commissioner has a PFI scheme for the Divisional headquarters in St. Asaph. The funding for this scheme continues to be partially met from government grants, with the remainder funded by the revenue budget and an earmarked reserve. Details of the scheme and liability can be seen in Note 31. This is a planned contribution to make up for the annual reduction in grant.

Major Incident Reserve – Initially earmarked £0.800m towards COVID costs which was then reduced to £0.224m as grant funding became available. The in-year major incident contingency, together with government grants, was sufficient to fund the COVID requirements with no contribution required from the reserve.

Estates Maintenance and Security works – Set up to cover the costs relating to the Estates Condition Survey carried out in 2018-2019 and any other unforeseen significant estates works. Expenditure of £0.490m funded. £0.103m was added to reserve from the PFI Life Cycle repayment from the PFI supplier.

Partnership balances - a number of smaller partnerships where balances are held and used for future costs.

Management of Change – planned withdrawal of £0.259m and a contribution of £1.945m made to fund future change requirements.

Training Reserve – £0.5m added to reserve from the external training budget under spend to deal with the training backlog following the reduction in training due to COVID during 2020-2021.

Uplift Reserve – new reserve as planned. The Home Office strongly advised that any uncommitted Uplift funding should be put to one side to fund future recruitment, training of probationers, and infrastructure. £1.577m contribution as planned.

Emergency Service Network (ESN) Reserve – this is a new reserve originally planned to be set up at the end of 2021-22. ESN grant was awarded by the Home Office of £0.158m late in the year which has been earmarked for future ESN costs.

COVID reserve – an un-hypothecated grant of £0.597m was announced at the end of February 2021 towards additional cost of policing during the pandemic. As funding for these costs had already been found by this point in the year, the amount can be set aside for potential COVID and COVID recovery related costs in 2021-2022. If not used, the reserve can be re allocated at a later date.

Police Education Qualification Framework (PEQF) – Probationers commenced on the PEQF qualifications from September 2020. As the numbers of Probationers increase due to Operation Uplift there is a peak in the costs in 2023-24. By creating the reserve this can be used to fund the peak, so that a budget increase is not needed. The £0.325m arises from income provided by WG/HO and under spend on the PEQF element of the Training budget.

FCIN – The Force has agreed to host the Forensic Collision Investigation Network in order to facilitate national accreditation of Forensic Collision Investigation work. Contributions from all Forces and the transfer of existing reserves from West Mercia has led to receipts totalling £2.385m; and costs of £1.305m were incurred. The balance of £1.080m is held towards the costs to be incurred in future years as agreed by the national FCIN Board.

Community Safety Fund – overall small movement of £0.002m balancing the contributions and costs of the various commissioned work by the PCC.

OPCC Legal Reserve - £0.054m added from under spend on the OPCC budget to meet future costs.

OPCC Reserve – balance of £0.050m on the OPCC's budget.

Capital Receipts reserve - this can be used towards capital expenditure only; the net increase of £2.030m mainly due to the sale of the old Wrexham DHQ and Police Station.

Capital Balances & Reserves:

The following table provides a summary of the capital balances and reserves held by the Police and Crime Commissioner:

CAPITAL BALANCES AND RESERVES	OPENING BALANCE 01/04/2020 £'000	MOVEMENT £'000	CLOSING BALANCE 31/03/2021 £'000
USABLE CAPITAL RESERVES			
Capital Receipts Reserve	54	2,030	2,084
UNUSABLE CAPITAL RESERVES			
Revaluation Reserve	21,449	-294	21,155
Capital Adjustment Account	19,992	-662	19,330

Source: 2020-2021 Group Statement of Accounts - Notes 19 & 20

During the year the Police and Crime Commissioner reviewed asset valuations of 21 properties within the portfolio.

Provisions:

PROVISIONS	OPENING BALANCE £'000	MOVEMENT £'000	CLOSING BALANCE £'000
INSURANCE FUND	838	-67	771

Source: 2020-2021 Group Statement of Accounts - Note 18

Borrowing:

No long term borrowing was taken out in 2020-2021. Short term borrowing was required at the beginning of the financial year due to the reduction in reserves and the uneven profile of pension grant receipts, and to ensure liquidity over the initial lockdown period. The total of loans outstanding at the end of the financial year was £9.375 million (2019-2020 £14.875 million).

FUTURE OUTLOOK

Uncertainty surrounding the level and potential impact of the future funding settlements in the Police Service mandates the need to continue to ensure that we maintain a stable financial platform and continue to review and transform our services. The impacts of COVID, an awaited outcome of a planned Comprehensive Spending Review and a potential future review of the Police Funding Formula heighten the current levels of uncertainty further.

The Medium Term Financial Plan sets out the financial requirements over the 2020-2025 period. It links the policing plan and priorities to the financial strategy and can be found on the Police and Crime Commissioner's <u>Website</u>.

The Police and Crime Commissioner and Chief Constable are committed to ensuring that the police service in North Wales is fit for purpose and provides value for money to the people of North Wales. An essential part of this is the

requirement for adequate reserves to meet forthcoming challenges and ultimately protect front line services. Having a sustainable financial platform is vitally important for future service delivery. The Strategic planning process has a critical role to play in ensuring that resources are allocated to the areas that matter most to meeting the demands that the organisation faces, in an effective way that delivers Value for Money in the process.

The 2021-2022 Budget was set by the Police and Crime Commissioner, and approved by the Police and Crime Panel on 2 February 2021, at £173.365 million. This represented a 5.14% Council Tax increase and an overall net increase of 5.90% compared to the 2020-2021 budget of £163.705 million. The increase includes an allocation of 61 additional Police Officers from phase 2 of the Government's Operation Uplift which will increase officer's numbers by 20,000 nationally. Significant investments have been made in prevention and proactivity, digital and demand management, and wellbeing initiatives. The CFO delivered a presentation and report for the panel outlining the precept proposal which was subject to scrutiny in the meeting. The precept proposal was approved unanimously.

During the last quarter of 2019-2020 the Coronavirus pandemic spread internationally resulting in the UK entering lockdown on 23 March 2020. The impact on the 2020-2021 accounts was significant; however the effect on the overall financial position has been minimal with the aid of government support and re allocation of existing budgets. Additional disclosures are included where appropriate. The long term effect on costs of policing relating to the pandemic is being monitored and managed within the 2021-2022 budgets. It is uncertain at this time what medium or long term impact the pandemic will have operationally or financially. The Force has set up a Recovery Group to manage any issues and to ensure implications were incorporated into the planning cycle. Longer term opportunities from changes in working practices, such as home working, are being explored.

ACCOUNTING POLICIES

Changes in accounting policies are made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the financial position or financial performance. Minor changes have been made to update the policies (for example the change in the post-employment benefits) - these have had no material effect on the accounts and so has not required re- statement of the previous year's accounts.

COLLABORATION with OTHER BODIES

Police and Crime Commissioners are encouraged to explore areas where they might collaborate on the delivery of services, either with other police forces or on a local level with other public bodies.

To that end the Police and Crime Commissioner is working closely with the other Welsh Forces and the North West Region to explore areas for collaboration; details of current arrangements are in Note 39. On a local level, the Force's Facilities Department is managing jointly the estate of the Police and Crime Commissioner and the North Wales Fire and Rescue Service and further opportunities for joint working are being explored. The Police and Crime Commissioner also operates a joint control room with North Wales Fire and Rescue Service in St. Asaph.

The Force has been hosting the national Forensic Collision Investigation Network since 2020-2021, this is a significant collaboration between all Policing areas in Wales and England to attain accreditation and ensure the highest standards in collision investigation nationally. The Force also leads on a number of other national collaborations.

In 2013 the Police and Crime Commissioner transferred the helicopter to the National Policing Air Service (NPAS). This is a mandatory national contract for delivery of a Police Air Service throughout England and Wales. The Police and Crime Commissioner continues to work with Cheshire Constabulary delivering an Armed Policing Alliance and Police Dog Section to enhance operational performance whilst continuing to deliver efficiencies and savings necessary to deliver services at a time of government funding reductions.

EVENTS AFTER THE REPORTING PERIOD

At the time that the Statement of Accounts were submitted to the Police and Crime Commissioner on the 6 October 2021, all material adjusting or non-adjusting events which would be required to be included in the Statement of Accounts have been reflected under Note 6.

CHIEF CONSTABLE'S STATEMENT OF ACCOUNTS

The Act and other legislative documents specify that the Police and Crime Commissioner should hold the group reserves and account for income received. Therefore, the Chief Constable's Cash flow Statement and Movement of Reserves Statement will only contain the movements relating to the Accumulated Absence Account. Movements relating to all other reserves and cash flows are reported at Group level and contained within the Group Statement of Accounts.

The accounts present a detailed picture of the financial affairs of the Chief Constable and comprise:-

• Statement of Responsibilities (Page 18).

This sets out the responsibilities of the Chief Constable and the Chief Financial Officer in respect of the Statement of Accounts and confirms that the accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting.

• Expenditure and Funding Analysis (Page 19).

This shows how annual expenditure is used and funded from resources (government grants, council tax precept and business rates) by the Police and Crime Commissioner and the Group in comparison with those resources consumed or earned by the Police and Crime Commissioner and the Group in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for management accounting purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

• Comprehensive Income and Expenditure Statement (Page 20).

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices rather than the amount to be funded from taxation. The Police and Crime Commissioner Group raises taxation to cover expenditure in accordance with statutory requirements and uses this income to provide intra-group funding to the Chief Constable. The costs funded by taxation may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

• Movement in Reserves Statement (Page 21).

This summarises the movement in the year on the different reserves held by the Chief Constable analysed into usable reserves (those that can be applied to fund expenditure) and other (principally technical accounting) unusable reserves.

• Balance Sheet (Page 22).

This shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Chief Constable. The net assets of the Chief Constable (assets less liabilities), are matched by the reserves held by the Chief Constable. The Chief Constable holds only unusable reserves i.e. that are not able to be used to provide services.

- **Cash Flow Statement** (Page 23). This statement shows the changes in cash and cash equivalents during the year.
- Notes to the Statements (Pages 24 to 41). These are all the explanatory notes relating to the statements.
- **Police Pension Fund Account** (Page 42). This details the transactions relating to Police Pension income and expenditure.
- Statement of Accounting Policies (Page 43). This statement supports the accounts and details the specific principles, rules and practices applied by the Group in preparing and presenting the financial statements.

Statement of Responsibilities for the Statement of Accounts

The purpose of this statement is to set out the responsibilities of the Chief Constable and the Chief Financial Officer in respect of the Statement of Accounts.

The Chief Constable's Responsibilities

The Chief Constable is required:-

- * to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this organisation, that officer is the Chief Financial Officer (Director of Finance and Resources).
- * to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- * approve the statement of accounts.

I approve this Statement of Accounts for the year ended 31 March 2021.

Carl Foulkes Chief Constable for North Wales Date:

The Chief Financial Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this Statement of Accounts, the Chief Financial Officer has:

- * selected suitable accounting policies and then applied them consistently.
- * made judgments and estimates that were reasonable and prudent.
- * complied with the Code of Practice.

The Chief Financial Officer has also:

- * kept proper accounting records which were up to date.
- * taken reasonable steps for the prevention and detection of fraud and other irregularities.

CHIEF FINANCIAL OFFICER'S CERTIFICATE

The statement of accounts has been prepared in accordance with the requirements of the Local Government Accounts and Audit (Wales) Regulations 2014, and reflects the format and content of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting 2020-2021 and the Service Reporting Code of Practice.

I certify that this Statement of accounts give a true and fair view of the financial position of the Chief Constable at the reporting date and of its income and expenditure for the year ended 31 March 2021.

The audit certificate appears on pages 76 to 77.

Seb Phillips (Director of Finance and Resources)

Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the Chief Constable for the year has been used in providing services in comparison with those resources consumed or earned by the Chief Constable in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 3)	Net Expenditure in the Comprehensive Income & Expenditure Statement	Net Expenditure chargeable to the General Fund	Adjustments between accounting and funding basis (Note 3)	Net Expenditure in the Comprehensive Income & Expenditure Statement
		2019-2020			2020-2021	212.2.2
	£'000	£'000	£'000	£'000	£'000	£'000
Policing Services	188,841	2,365	191,206	195,051	6,545	201,596
Net Cost of Services before intra						
group transfer	188,841	2,365	191,206	195,051	6,545	201,596
Intra Group Transfer	-188,841	0	-188,841	-195,051	0	-195,051
Net Cost of Services	0	2,365	2,365	0	6,545	6,545
Other Income and Expenditure	0	46,193	46,193	0	39,171	39,171
Surplus(-)/Deficit(+) on provision of services	0	48,558	48,558	0	45,716	45,716

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices. The overall net cost of services is nil as the operational cost of policing is funded via a transfer from the Police and Crime Commissioner to the Chief Constable. The overall financial position is reported within the Group Financial Statements.

Gross Expenditure		Gross Expenditure
2019-2020		2020-2021
£000		£000
56,276	Police Officers	59,854
38,752	Support Staff	40,105
57,209	Pensions	61,502
1,328	Allowances	1,208
1,425	Indirect Employees Expenses	1,088
6,330	Premises	6,388
2,791	Transport Expenses	2,419
18,934	Supplies and Services	22,475
10,517	Third Party Payments	8,756
148	Support Services	176
-3,337	PCC expenditure on grants and initiatives	-5,506
833	Uncompensated absences accrual	3,131
191,206	Cost of Services	201,596
-188,841	Commissioning Costs (intra-group transfer)	-195,051
2,365	Net Cost of Services	6,545
46,193	Financing & investment income and expenditure	39,171
48,558	Surplus (-)/Deficit (+) on Provision of Services	45,716
-188,625	Actuarial Gains (-)/Losses (+) on pensions assets/liabilities	181,762
-188,625	Other Comprehensive Income and Expenditure	181,762
-140,067	Intra group transfer	227,478
0	Total Comprehensive Income and Expenditure	0

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Chief Constable.

	General Fund Balance	Total Usable Reserves	Unusable Reserves	Total Chief Constable Reserves
	£000	£000	£000	£000
Balance at 31 March 2019	0	0	-4,468	-4,468
Movement in reserves during 2019-2020				
Total Comprehensive Expenditure and Income	-48,558	-48,558	47,725	-833
Adjustments between accounting basis & funding basis under regulations (Note 4)	48,558	48,558	-48,558	0
Net increase (+)/decrease (-) in 2019-2020	0	0	-833	-833
Balance at 31 March 2020 carried forward	0	0	-5,301	-5,301
Movement in reserves during 2020-2021				
Total Comprehensive Expenditure and Income	45,716	-45,716	42,586	-3,130
Adjustments between accounting basis & funding basis under regulations (Note 4)	-45,716	45,716	-45,716	0
Net increase (+)/decrease (-) in 2020-2021	0	0	-3,130	-3,130
Balance at 31 March 2021 carried forward	0	0	-8,431	-8,431

Balance Sheet

The Balance Sheet shows the assets and liabilities recognised by the Chief Constable. The net usable assets position is nil as the intra-group transactions transfer the assets and liabilities into the Group/Police and Crime Commissioner's accounts. The Chief Constable does not hold any reserves to meet any obligations as these are held by the Group and the overall financial position is reported within the Group Financial Statements.

31 March 2020 £000		31 March 2021 £000
1,738,023	Long Term Debtor with the PCC (Note 17 - Pension)	1,962,371
1,738,023	Long Term Assets	1,962,371
634	Inventories (Note 10)	534
894	Prepayments (Note 11)	1,158
6,791	Intra Group Transfer (Note 1)	7,988
8,319	Current Assets	9,680
-12,092	Short Term Creditors (Note 12)	-16,419
-1,528	Intra group Transfer (Note 1)	-1,692
-13,620	Current Liabilities	-18,111
-1,738,023	Pension Liabilities (Note 17)	-1,962,371
-1,738,023	Long Term Liabilities	-1,962,371
-5,301	Net Assets	-8,431
-5,301	Accumulated Absence Account	-8,431
-5,301	Total Unusable Reserves	-8,431

Cashflow Statement

This Cash Flow statement shows the changes in cash and cash equivalents during the reporting period. All cash and cash equivalents are held by the Police and Crime Commissioner and are shown within the Group Accounts.

2019-2020 £000		2020-2021 £000
48,558	Net surplus (-) or deficit (+) on the provision of services	41,516
-48,558	Adjust net surplus (-) or deficit (+) on the provision of services for non-cash movements	-41,516
0	Adjust for items included in the net surplus (-) or deficit (+) on the provision of services that are investing and financing activities	0
0	Net cash flows from Operating Activities	0
0	Investing activities	0
0	Financing activities	0
0	Net increase (-) or decrease (+) in cash and cash equivalents	0
0	Cash and cash equivalents at the beginning of the reporting period	0
0	Cash and cash equivalents at the end of the reporting period	0

1. Intra Group Transfer

The intra group transfer represents the short term amounts due relating to creditors, prepayments, inventories and adjustments between the accounting basis and funding basis received by the Chief Constable as at the 31 March 2021.

2. Restatement of the Comprehensive Income and Expenditure Statement

There are no changes that require the restatement of the previous year's Statement.

3. Notes to the Expenditure and Funding Analysis

Adjustments between Funding and Accounting Basis 2020-2021							
Adjustments from	Net change	Other	Total				
General Fund to arrive	for the	Adjustments	Adjustments				
at the Comprehensive	Pensions						
Income and Expenditure	Adjustments						
Statement amounts							
	(Note 1)	(Note 2)					
Chief Constable	3,414	3,131	6,545				
Net Cost of Service	3,414	3,131	6,545				
Other income and expenditure from the Expenditure							
Funding Analysis	39,171	0	39,171				
Difference between the General Fund surplus/deficit and							
the Comprehensive Income and Expenditure Statement surplus/deficit on the provision of services	42,585	3,131	45,716				

Adjustments between Funding and Accounting Basis 2019-2020							
Adjustments from	Net change	Other	Total				
General Fund to arrive	for the	Adjustments	Adjustments				
at the Comprehensive	Pensions						
Income and Expenditure	Adjustments						
Statement amounts							
	(Note 1)	(Note 2)					
Chief Constable	1,532	833	2,365				
Net Cost of Service	1,532	833	2,365				
Other income and expenditure from the Expenditure							
Funding Analysis	46,193	0	46,193				
Difference between the General Fund surplus/deficit and							
the Comprehensive Income and Expenditure Statement	47,724	833	48,558				
surplus/deficit on the provision of services							

Note 1: Net change for pension adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

For **services** this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs;

For **Financing and investment income and expenditure** – the net interest on the defined benefit liability is charged to the CIES.

Note 2: Other Adjustments

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

For **Financing and investment income and expenditure** the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts;

The charge under **Taxation and non-specific grant income and expenditure** represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

4. Adjustment between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Chief Constable in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Chief Constable to meet future expenditure.

The majority of the adjustments relate to the accounts of the Commissioner. The exceptions are the adjustments in respect of the pensions Reserve and the Accumulated Absence account which are presented below.

	Usable Reserves			
2020-2021	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments to Revenue Resources:				
Pensions costs (transferred to (or from) the pensions reserve	42,585	0	0	-42,585
Holiday Pay (transferred from the accumulated absences account)	3,131	0	0	-3,131
Total Adjustments to Revenue Resources	45,716	0	0	-45,716
Total Adjustments	45,716	0	0	-45,716

	Usable Reserves			
2019-2020	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments to Revenue Resources:				
Pensions costs (transferred to (or from) the pensions reserve	47,725	0	0	-47,725
Holiday Pay (transferred to the accumulated absences account)	833	0	0	-833
Total Adjustments to Revenue Resources	48,558	0	0	-48,558
Total Adjustments	48,558	0	0	-48,558

5. Accounting Standards that have been issued but have not yet been adopted

The Code requires the Police and Crime Commissioner to disclose information relating to the impact of an accounting change that will be required by a new accounting standard that has been issued but not yet adopted by the Code. The following changes will be required from 1 April 2022:

a) IFRS 16 Leases – new disclosure requirements, the impact of this amendment is not expected to have a significant impact on the Statement of Accounts.

6. Critical Judgements in applying Accounting Policies

In applying the accounting policies set out in the Statements, the Police and Crime Commissioner has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:-

There remains uncertainty around proposed changes to the Police funding in the medium term. This necessitated a structural review which has now been implemented. There are plans in place to meet balance the budget in future years as set out in the medium term financial plan; however, it is not certain whether the current levels of funding will be sufficient in order to meet the resources required over the period of the medium term financial plan and therefore annual cycles of priority based resourcing will take place.

7. Assumptions Made About the Future and Other Major Source of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Chief Constable about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

Items within the Group Balance Sheet as at 31 March 2021 for which there is a significant risk of material adjustment in the forthcoming year are as follows:

Item	Uncertainties	Effect if Actual results Differ from Assumptions
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and	The effects on the net pension liability of changes in individual assumptions can be measured. The impact of increase or decrease in the assumptions e.g. increase or decrease in the discount rate is set out in Note 17.
	expected return on pension funds' assets. A firm of consulting actuaries is engaged to provide the Police and Crime Commissioner with expert advice about the assumptions to be applied.	

8. Material Items of Income and Expense

All applicable material items of income and expenditure have been set out on the face of the Comprehensive Income and Expenditure Statement.

9. Events after the Balance Sheet Date

Material events taking place after the reporting date but prior to the financial statements being authorised for issue are reflected in the financial statements and notes. Where events taking place provided information about conditions existing at 31 March 2021 the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

10. Inventories

	HQ Stores		Other Stores		Total
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021
	£000	£000	£000	£000	£000
Balance held at start of year	263	217	371	468	634
Purchases	497	520	292	336	789
Recognised as an expense in the year	-504	-474	-383	-433	-887
Written off balances	-2	0	0	0	-2
Balance held at year end	254	263	280	371	534

The national police distribution hub has been supplying Personal Protective Equipment free of charge to all Forces; this was valued at £0.055m as at 31 March 2021 and is not included in the Balance Sheet figure.

11. Prepayments

	2020-2021	2019-2020
	£000	£000
Amounts falling due in one year -		
Prepayments	1,158	894
	1,158	894

12. Creditors

	2020-2021 £'000	2019-2020 £'000
Amounts falling due in one year -		
Trade payables	4,497	3,541
Other payables	11,922	8,551
	16,419	12,092

13. External Audit Costs

The Chief Constable has incurred the following costs in relation to the audit of the Statement of Accounts and certification of grant claims:

	2	2020-2021	L	2019-2020			
	Group	PCC	PCC CC		PCC	СС	
	£000	£000	£000	£000	£000	£000	
Fees payable to the Wales Audit Office with regard to external audit services carried out by the appointed auditor	84	42	42	86	43	43	
Total	84	42	42	86	43	43	

The above represents payments made within the financial year 2020-2021. The agreed strategy fee for the audit year November 2020 to October 2021 was £83,699 for 2020-2021.

14. Officers Remuneration

The following table set out the remuneration disclosures for Relevant Police Officers (defined as the Chief Constable and any Senior Police Officers and staff with a full time salary of more than £150,000 per year or other relevant officers with a salary above £60,000). Other Senior Police Officers (above the rank of Superintendent) and Senior Employees (designated office holder of a local government body) are included Remuneration Banding table. The amounts for the Officers and Staff below have been fully charged within the Comprehensive Income and Expenditure Account.

2020-2021 Post Holder:	Notes:	Salary (including fees & allowances)	Bonuses	Expense Allowance	Other Expenses	Benefits in kind	Total remuneration excluding pension contributions	Pension contributions	Total remunera tion including pension contributi ons
		£	£	£	£	£	£	£	£
Chief Constable - C. Foulkes		155,809	0	5,168	6,469	6,940	174,386	48,301	222,687
Deputy Chief Constable		124,824	0	0	0	6,726	131,550	37,941	169,491
Assistant Chief Constable		118,009	0	20	0	5,858	123,887	36,583	160,470
Assistant Chief Constable	1	83,181	0	0	0	5,780	88,961	22,342	111,303
Director of Finance & Resources		101,915	0	0	0	8,396	110,311	19,364	129,675
Force Medical Officer - Dr. A. Lister	2,3	18,069	0	0	0	0	18,069	2820	20,889

Note 1: The post holder held this post from 01/04/2020 to 17/01/2021 (Collaboration ACC – see Note 39)

Note 2: The post holder held this post from 01/04/2020 to 28/08/2020

Note 3: The Force Medical Officer works the equivalent of 1 day per week. The full time equivalent salary is £181,614

2019-2020 Post Holder:	Notes:	Salary (including fees & allowances) £	Bonuses	Expense Allowance £	Other Expenses £	Benefits in kind £	Total remuneration excluding pension contributions £	Pension contributions £	Total remuneration including pension contributions £
Chief Constable - C. Foulkes		153,200	0	62	19,735	3,519	176,516	47,492	224,008
Deputy Chief Constable		121,839	0	18	0	3,718	125,575	37,016	162,591
Assistant Chief Constable	1	8,027	0	480	0	94	8,601	2,106	10,707
Assistant Chief Constable	2	101,853	0	37	0	2,087	103,977	31,574	135,551
Assistant Chief Constable	3	30,187	0	0	0	1,629	31,816	8,131	39,947
Director of Finance & Resources	4	62,668	0	2,127	1,835	0	66,630	9,426	76,056
Director of Finance & Resources	5	37,111	0	0	0	2,381	39,492	6,049	45,541
Force Medical Officer - Dr. A. Lister	6	35,954	0	0	0	0	35,954	5,860	41,814

Note 1: The post holder held this post from 01/04/2019 to 28/04/2019

Note 2: The post holder held this post from 29/04/2019 to 31/03/2020

Note 3: The post holder held this post from 16/12/2019 to 31/03/2020 (Collaboration ACC – see Note 39)

Note 4: The post holder held this post from 01/04/2019 to 31/10/2019

Note 5: The post holder held this post from 18/11/2019 to 31/03/2020 Head of Finance deputised for Director of Finance and Resources from 01/11/2019 to 17/11/2019 as part of normal duties

Note 6: The Force Medical Officer works the equivalent of 1 day per week. The full time equivalent salary is £179,770

2020-2021

The Chief Constable's other employees receiving more than £60,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts

Remuneration Bands	Number of Employees	Number of Employees
	2020-2021	2019-2020
£60,000 - £64,999	25	27
£65,000 - £69,999	9	9
£70,000 - £74,999	7	6
£75,000 - £79,999	4	4
£80,000 - £84,999	4	4
£85,000 - £89,999	6	2
£90,000 - £94,999	1	1
£95,000 - £99,999	2	1
£100,000 - £104,999	1	0

The number of exit packages with total cost per band and the total cost of the compulsory and other redundancies are set out in the table below:

Exit packages cost band (including special payments)	Numb compo redund	ulsory		of other rtures eed	Total number of exit packages by cost band		Total cost of exit packages in each band	
	2019-	2020-	2019-	2020-	2019-	2020-	2019-	2020-
	2020	2021	2020	2021	2020	2021	2020	2021
	No.	No.	No.	No.	No.	No.	£000	£000
£0 - £20,000	0	1	7	6	7	7	20	25
£20,001 - £40,000	0	0	0	0	0	0	0	0
£40,001 - £60,000	0	1	0	0	0	1	0	53
£60,001 - £80,000	0	0	0	1	0	1	0	75
£ 80,001 and above	0	0	1	8	1	8	83	707

Median Pay Ratio

The median pay ratio compares the full time equivalent remuneration of the Chief Constable to the full time equivalent median remuneration of the staff employed by the Chief Constable.

	2020-2021	2019-2020
Chief Constable's pay	169,218	176,454
Median pay of the Chief Constable's staff	33,388	33,409
Median pay ratio:	5.1	5.3

We have used the Median Pay of the Chief Constable as he is the highest ranking officer for this ratio. The Force Medical Officer is employed part-time and full time equivalent costs is £181,614. We have not used the Force Medical Officers full time equivalent costs for this ratio as they are not the highest ranking officer.

15. Related Parties

There are no material interests or relationships of the Chief Officers or their direct families, which could influence or control the decision making, policies or financial transactions of North Wales Police/Police and Crime Commissioner. A robust process is also in place to approve and register the business interests of both police staff and officers.

Relating to Arfon Jones, who was Police and Crime Commissioner during 2020-2021:

- The Police and Crime Commissioner was a Director of BlueLight Commercial, which is owned by its members including policing bodies and other blue light sector organisations such as the College of Policing and National Crime Agency. Every Police and Crime Commissioner in England and Wales is a member of BlueLight Commercial;
- The Police and Crime Commissioner's wife is a serving Councillor for Wrexham Council and is a member of the Planning Committee, Safeguarding and Wellbeing Scrutiny Committee, Corporate Land and Buildings Committee, Licensing Committee and Community Health Council. For further information regarding funding allocated to Wrexham Council please see relevant Decision Notices published on the OPCC's website.

The Chief Constable is a trustee of both PACT (North Wales Police and Community Trust) and Dangerpoint. The Force allocates funding from income received via the Police Property Fund Account in support of PACT projects whose objectives are to raise the profile of community safety, significantly minimise the fear of crime and thus enhance the quality of life throughout North Wales. For 2020-2021 this equated to £17,400 donated from the fund to PACT contributing towards meeting the costs of the Fund administration of £46,774.

The Police and Crime Commissioner and Chief Constable participate in a partnership with HMPPS and provide funding to support the 'Dechrau Newydd' project in North Wales. This dual partnership is to support drug related offending and deaths through community provision and support.

Members of the Joint Audit Committee declared all their financial interests relating to contracts and businesses on appointment and signed an agreement to abide by the Seven Nolan Principles of Life and declare any revised interests to the Chief Executive. Joint Audit Committee members' declarations of interests can be found on the Office of the Police and Crime Commissioner's website <u>www.northwales-pcc.gov.uk</u>

16. Termination Benefits

The Chief Constable utilised the following regulations in respect of termination benefits:

- the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) and
- the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

and terminated the contracts of a number of employees in 2020-2021 incurring costs of £0.860 million (2019-2020 £0.103 million) as disclosed in note 14.

17. Defined Benefits Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Police and Crime Commissioner offers retirement benefits. Although these benefits will not actually be payable until employees retire the Police and Crime Commissioner has a commitment to make the payments (for those benefits) and to disclose them at the time employees receive their future entitlement.

The Police and Crime Commissioner participates in two pension schemes:

- The Local Government Pension Scheme for Police Staff and the Office of the Police and Crime Commissioner is administered by Gwynedd Council. This is a funded defined benefit final salary scheme, meaning that the Police and Crime Commissioner and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities to investment assets. The Police and Crime Commissioner and Chief Constable are one scheduled body within the LGPS and are not split in the accounts.

The Gwynedd Pension Fund is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the Pensions Committee of Gwynedd Council. Policy is determined in accordance with the Pensions Fund regulations. The investment managers of the fund are appointed by the committee.

The principal risks to the Police and Crime Commissioner of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (e.g. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the General Fund the amounts required by statute as described in the accounting policies note.

Arrangements for the award of discretionary post-retirement benefits upon early retirement – this is an unfunded defined benefit arrangement, under which the liabilities are recognised when awards are made.

- The Police Pension Scheme for Police Officers. This is an unfunded defined benefit final salary scheme, meaning that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pensions fund for the year is less than the amounts payable, the Police and Crime Commissioner must annually transfer an amount required to meet the

deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by central government pension top-up grant. If however the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the Police and Crime Commissioner who then must repay the amount to central government.

Transactions Relating to Post Employment Benefits:

The Police and Crime Commissioner recognises the cost of retirement benefits in the reported cost of services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

The Chief Constable of North Wales, along with other Chief Constables and the Home Office, currently has a number of claims in respect of unlawful discrimination arising from transitional provisions in the Police Pension Regulations 2015. These claims against the Police pension scheme (the Aarons case) had previously been stayed behind the McCloud/Sargeant judgement, but a case management hearing was held in October 2019, with the resulting Order including an interim declaration that the claimants are entitled to be treated as if they had been given full transitional protection and had remained in their existing scheme after 1 April 2015. Whilst the interim declaration applied only to claimants, the Government made clear through a Written Ministerial Statement on 25 March2020 that non-claimants would be treated in the same way.

On 16 July 2020, HM Treasury issued a consultation regarding transitional arrangements for public sector pensions to eliminate discrimination as identified through the McCloud/Sargeant cases. This consultation introduced a requirement for members to have been members of the scheme on or before 31 March 2012 and on or after 1 April 2015 to be eligible for remedy.

On 4 February 2021, HM Treasury issued their response to the consultation which confirmed the remedy arrangements set out in the consultation, and states that members would be given a choice as to whether to retain benefits from their legacy pension scheme, or their new scheme, during the remedy period (2015-2022). This choice will be deferred for members until retirement. As the findings of the original Employment Tribunal did not identify that the introduction of the new public sector pension schemes were discriminatory (rather it was the transitional provisions), the legacy schemes will be removed from April 2022 to be replaced by the new pension schemes originally introduced in 2015.

Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period would lead to an increase in the Police Pension Scheme liabilities. Scheme actuaries originally estimated the increase in scheme liabilities for the Police and Crime Commissioner to be approximately 4.4% or £75.59m of pension scheme liabilities. This increase was recognised in the 2018-2019 accounts. In 2019-2020, the actuaries estimated a reduction of £15.58m in scheme liabilities. This reflects a change in assumptions and therefore represents a gain on remeasurement and reported in the Comprehensive Income and Expenditure Statement (CIES).

The impact of a change in scheme liabilities arising from the McCloud/Sargeant judgement will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation is due to be reported in 2023-2024, although this timetable is subject to change.

The impact on annual pension payments arising from McCloud/Sargeant is determined through the Police Pension Fund Regulations 2007. These require a policing body to maintain a police pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. If the police pension fund does not have sufficient funds to meet the cost of pensions in year the amount required to meet the deficit is then paid by the Secretary of State to the police authority in the form of a central government top-up grant.

Claimants have lodged claims for compensation. Test cases for these claims are due to be heard by the Employment Tribunal in December 2021. Claims for financial losses are currently stayed as consideration is given to the HM Treasury consultation response As at 31st March 2021, it is not possible to reliably estimate the extent or likelihood of these claims being successful, and therefore no liability in respect of compensation claims is recognised in these accounts.

With regard to the LGPS, when the benefit structure was reformed in 2014, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2014 by these members are subject to an 'underpin' which ensures that these members do not lose out from the introduction of the new scheme, by effectively giving them the better of the benefits from the old and new schemes.

As with the Police Pension Scheme the McCloud/Sargeant ruling will apply to the LGPS. Hence benefits accrued from 2014 may need to be enhanced so that all members, regardless of age, may benefit from the underpin. Alternatively, restitution may be achieved in a different way, for example by paying compensation. The Government will need to compensate younger members for the less favourable treatment they have received since the transitional provisions came into force, as well as revisiting pension scheme changes going forward so that the discriminatory elements are removed for all members.

For the purposes of the 31 March 2020 IAS19 balance sheet figures, an estimated adjustment to the liabilities for McCloud was captured from the 2019 valuation data, and was recorded separately as a Past Service Cost in the 2019-2020 Profit and Loss statement. No further adjustment has been made within this year's accounts. The previous amount within the balance sheet has simply been rolled forward and therefore included within the closing position at the balance sheet date. No explicit additional adjustment for McCloud has been added to the current service cost for 2020-2021.

		ment Pension eme	Police Pensi	ion Scheme	Total
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021
	£000	£000	£000	£000	£000
Comprehensive Income & Expenditure Statement					
Cost of Services:					
Service Cost comprising:					
Current Service Cost	-11,900	-15,445	-38,710	-39,900	-50,610
Unfunded Benefits Contributions	116	120	0	0	116
Past Service Gains (-)/Losses (+)	-1	-280	0	8,760	-1
Transfers In	0	0	-530	-700	-530
Police Pension top-up grant receivable	0	0	18,992	20,371	18,992
Financing and investment income and expenditure					
Net interest expense	-1,291	-2,173	-37,880	-44,020	-39,171
Total Post Employment Benefit charged to the					
Surplus or Deficit on the Provision of Services	-13,076	-17,778	-58,128	-55,489	-71,204
Other Post Employment Benefit Charged to the					
Comprehensive Income & Expenditure Statement					
Remeasurement of the net defined benefit liability					
comprising:					
Return on plan assets (excluding the amount included	53,820	-21,744	0	0	53,820
in the net interest expense)					
Actuarial gains(+) and losses (-) arising on changes in	-4,831	10,437	0	53,470	-4,831
demographic assumptions		24.407	407.000		207.020
Actuarial gains (+) and losses (-) arising on changes in	-89,898	34,187	-197,930	55,000	-287,828
financial assumptions	2 207	21 10F	E4 700	26.000	E7 077
Other experience gains (+) and losses (-)	2,297	21,185	54,780	36,090	57,077
Total Post Employment Benefit charged to the Comprehensive Income and Expenditure Account	-51,688	26,287	-201,278	89,071	-252,966
comprehensive income and Expenditure Account	-51,088	26,287	-201,278	69,071	-252,900

The following transactions have been made in the Comprehensive Income and Expenditure Account and the Movement in Reserves Statement during the year:

	Local Government Pension Scheme		Police Pension Scheme		Total
	2020-2021 £000	2019-2020 £000	2020-2021 £000	2019-2020 £000	2020-2021 £000
Movement in Reserves Statement					
Reversal of net charges made to the Surplus or Deficit for the Provision of post-employment benefits					
in accordance with the code	-13,076	-17,778	-58,128	-55,489	-71,204
Actual amount charged against the General Fund balance for pensions in the year:					
Employer's contributions payable to scheme	6,810	5,473	0	0	6,810
Retirement benefits payable to pensioners	0	0	21,809	20,069	21,809

Pensions Assets and Liabilities Recognised in the Balance Sheet.

The amount included in the balance sheet arising from the Police and Crime Commissioner's obligation in respect of its defined benefit plans is as follows:

	Local Government		Police Pension Scheme		Total
		Scheme			
	31 March	31 March	31 March	31 March	31 March
	2021	2020	2021	2020	2021
	£000	£000	£000	£000	£000
Present value of the defined benefit obligation	359,671	251,505	1,863,800	1,684,330	2,223,471
Fair value of plan assets	-261,100	-197,812	0	0	-261,100
Sub-total	98,571	53,693	1,863,800	1,684,330	1,962,371
Other movement in the liability (+)/asset (-) (if					
applicable)	0	0	0	0	0
Net Liability arising from the defined benefit obligation	98,571	53,693	1,863,800	1,684,330	1,962,371

Reconciliation of the Movement in the Fair Value of the Scheme (Plan) Assets

	Local Government Pension Scheme		
	31 March	31 March	
	2021	2020	
	£000	£000	
Opening fair value of the scheme assets	197,812	210,875	
Interest income	4,602	5,114	
Remeasurement gain (+)/loss (-):			
- the return on plan assets, excluding the amount included in			
the net interest expense	53,820	-21,744	
Contribution from employers	6,810	5,473	
Contributions from employees	2,375	2,246	
Benefits paid	-4,319	-4,152	
Closing fair value of the scheme assets	261,100	197,812	

Reconciliation of the Present Value of the Scheme Liabilities (Defined Benefit Obligation)

	Funded Liabi	lities: Local	Unfunded Liabilities:		
	Government Pe	nsion Scheme	Police Pension Scheme		
	31 March 31 March		31 March	31 March	
	2021	2020	2021	2020	
	£000	£000	£000	£000	
Opening balance at 1 April	251,505	296,328	1,684,330	1,793,470	
Current service cost	11,900	15,445	38,710	39,900	
Interest cost	5,893	7,287	37,880	44,020	
Contributions from scheme participants	2,375	2,246	7,770	7,150	
Remeasurement gains (-) and losses (+):					
 Actuarial gains/losses arising from changes in demographic 					
assumptions	4,831	-10,437	0	-53,470	
 Actuarial gains/losses arising from changes in financial 					
assumptions	89,898	-34,187	197,930	-55,000	
- Other experience gains/losses	-2,297	-21,185	-54,780	-36,090	
Past service costs	1	280	0	-8,760	
Transfers In	0	0	530	700	
Benefits paid	-4,319	-4,152	-48,570	-47,590	
Liabilities extinguished on settlements (where applicable)	-116	-120	0	0	
Closing balance at the 31 March	359,671	251,505	1,863,800	1,684,330	

Local Government Pension Scheme assets comprised:

	Local Government Pension Scheme 2020-2021			Local Government Pension Scheme 2019-2020		
	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total
	£000	£000	£000	£000	£000	£000
Cash and cash equivalents	1,507	0	1,507	980	0	980
Sub-total	1,507	0	1,507	980	0	980
Equity Securities:						
Other	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0
Debt Securities:						
Other	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0
Property: <i>By type:</i>						
UK Property	0	20,708	20,708	0	19,497	19,497
Overseas Property	0	0	0	0	23	23
Sub-total	0	20,708	20,708	0	19,520	19,520
Private Equity:						
UK and overseas	0	16,235	16,235	0	11,499	11,499
Sub-total	0	16,235	16,235	0	11,499	11,499
Other Investment Funds and unit trusts:						
Equities	0	167,288	167,288	0	132,658	132,658
Infrastructure	0	4,603	4,603	0	4,549	4,549
Other	0	50,759	50,759	0	28,606	28,606
Sub-total	0	222,650	222,650	0	165,813	165,813
Totals	1,507	259,593	261,100	980	196,832	197,812

Basis for estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

The Local Government Pension Scheme liabilities have been estimated by Hymans Robertson and the Police Pension Scheme liabilities have been estimated by the Government Actuary's Department. These are both independent actuary organisations, estimates for the Local Government Pension Scheme being based on the latest full valuation of the scheme as at 31 March 2019.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions used. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption changes while all the other assumptions remain constant. The estimation in the sensitivity analysis has followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

	Local Government Pension Scheme		Police Pension Scheme	
2020-2021	Increase in assumption £000	Decrease in assumption £000	Increase in assumption £000	Decrease in assumption £000
Longevity (increase (+) or decrease (-) in 1 year)	14,387	-14,387	64,000	-64,000
Rate of inflation (increase (+) or decrease (-) by 0.5%)	38,385	-38,385	177,000	-176,000
Rate of increase in salaries (increase (+) or decrease (-) by 0.5%)	6,106	-6,106	19,000	-19,000
Rate of increase in pensions (increase (+) or decrease (-) by 0.5%)	38,385	-38,385	168,000	-167,000
Rate for discounting scheme liabilities (increase (-) or decrease	-			
(+) by 0.5%)	-45,514	45,514	-177,000	176,000

Asset and Liability Matching (ALM) Strategy

The pensions committee of Gwynedd Council does not have an asset and liability matching strategy (ALM). Responsibility for the Fund's risk management strategy rests with the pensions committee. The Pension Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to pay pensions. The Administering Authority has produced a Funding Strategy Statement in conjunction with the Fund's Actuaries, which states how solvency and risk will be managed in relation to liabilities. The Strategy was reviewed and updated following the actuarial valuation in 2019 and has taken an overall view of the level of risk inherent in the investment policy set out in the Investment Strategy Statement of Funds) Regulations 2016, (the investment regulations) and the funding policy set out in the Statement. These documents continue to be reviewed to ensure that the overall risk profile remains appropriate.

Impact on the Police and Crime Commissioner's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. Gwynedd Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 20 years. Funding levels are monitored on an annual basis. The next triennial valuation will be completed during 2022-2023 to be implemented from April 2023.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pensions Scheme in England and Wales and the other main existing public service schemes change the benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The Police and Crime Commissioner anticipates to pay £6.825 million contributions to the scheme in 2021-2022.

The weighted average duration of the defined benefit obligation for the Local Government Pension Scheme is 26.0 years, 2020-2021, (26.0 years 2019-2020). The weighted average for the Police Pension Scheme is 20.0 years, 2020-2021, (21.0 years 2019-2020).

18. Members' Allowances

Audit Committee's costs have been shared equally between the Police and Crime Commissioner and the Chief Constable. The below total represents the total cost for the year

As at the end of March 2021 there were a total of 4 members. One member resigned within the year.

	2020-2021		2019-2020	
		Number of		Number of
	£000	Members	£000	Members
Allowances	10	4	11	4
Expenses	0	-	0	-
	10		11	

Further information on members paid allowances can be found at <u>www.northwales-pcc.gov.uk</u>.

19. Financial Instruments including Nature and Extent of Risks Arising

The financial risks and reward are borne by the Group and the accounting, notes and supporting disclosures are held within the Group/PCC Accounts.

20. Partnership Schemes

The Group is involved in partnership work with DangerPoint Ltd and Police and Community Trust (PACT). Details of PACT and DangerPoint accounts are available upon request if required.

21. Jointly Controlled Operations/Collaboration

The Police and Crime Commissioner is party to a number of collaborations (both regional and national). In all instances the Group accounts reflect our share of income, expenditure and cash flows arising from the structure of the arrangement. As the Police and Crime Commissioner received all income and funding, any income receivable from the structure of the arrangement will be credited in the Comprehensive Income and Expenditure Statement of the Police and Crime Commissioner. As the Comprehensive Income and Expenditure Statement of the Chief Constable contains the expenditure arising from these collaborations, the Police and Crime Commissioner credits the Chief Constable with an equivalent amount through the intra group funding.

CIPFA guidance on accounting for collaboration has been considered in determining the nature of the relationships and, as most arrangements have joint control through a strategic management board, it is

considered that most are correctly classified as joint operations. Some arrangements are of a collaborative nature but are classified as third party payments. Others involve officers from individual forces carrying out duties on a regional basis but funded by a lead force from grants made by the Home Office, other agencies or are self-funded from fees and charges.

The following groups the arrangements into:

Collaboration – Joint Operations Collaboration – Third Party payments Collaboration – Grant/self-funded

Collaboration – Joint Operations

Forensic Collision Investigation Network (FCIN)

Forensic Collision Investigation is a highly specialist area of policing, involving a small number of scientific and technical staff who provide a significant public service through the investigation of death and serious, often life changing, injuries on our roads.

In 2020-2021 the responsibility for the Forensic Collision Investigation Network (FCIN) was transferred to North Wales Police. The FCIN moved out of the Specialist Capabilities Programme to the 'Host Force' model with the primary objective being that all collision investigation activities comply with national forensic standards. The police service decided that this should be delivered through a networked approach underpinned by a Section 22a Collaboration Agreement.

As at the end of the Financial Year 2019-20 West Mercia Police held reserves to the value of £271k with a debtor to the value of £13k outstanding to North Wales Police. These monies were passed over to North Wales Police during the course of 2020-21 with the balance of £258k placed into reserves at year end.

The budgeted expenditure agreed for 2020-2021 by the FCIN Management Board was £2,071k with the funding met by all forces party to the Section 22a Collaboration Agreement. The budget was set to meet the cost of scientific development and roll out of the FCIN network to meet the accreditation deadline as set by the Forensic Science Regulator. The budget was inclusive of costs such as staff, consultants, scientific validation, competency testing, other non staff etc.

The Covid-19 pandemic has significantly impacted upon both the activities and timeline of the scientific development and roll out of the network, as recognised by the Finance Science Regulator decision to delay the accreditation deadline. The overall expenditure incurred in 2020-21 was £1,249k an overall underspend of £822k versus budget, with agreement for the amount to be placed into earmarked reserves.

Thus in total an amount of £1,080k (£258k balance from West Mercia and £822k 20/21 underspend) was placed in earmarked reserves as per Note 8 Transfers to/from Earmarked Reserves. This earmarked reserve is in place to meet the requirement of the FCIN to achieve the accreditation deadline and more specifically around costs such as resource costs, accreditation activities and competency testing.

All the expenditure and income relating to the FCIN activities are coded separately on our ledger which have been derecognised reflecting our share of income and expenditure, with the North Wales Police funding contribution for 2020-2021 being £27k.

2019-2020		2020-2021		
Net Expenditure	Functions	Expenditure	Income	Net Expenditure
£'000		£'000	£'000	£'000
0	Forensic Collision Investigation Network	27	0	27
0	Total	27	0	27

The North West Regional Organised Crime Unit (NWROCU) was established in April 2009 bringing together the six regional police forces in collaboration to tackle serious and organised crime across the North West. It encompasses the work of a number of teams with Merseyside as the lead force. In 2019-2020 the responsibility for the Protected Persons Service function transferred over to the National Crime Agency. The amount reflected in North Wales Police accounts in 2020-2021 is £851k (£832k in 2019-2020) with the breakdown by function as follows:

2019-2020			2020-2021	
Net Expenditure £'000	Functions	Expenditure £'000	Income £'000	Net Expenditure £'000
236	Regional Crime Unit	223	0	223
42	Prisoner Intelligence	72	-34	38
11	Regional Intelligence Unit	28	-12	16
176	Technical Surveillance Unit	217	-13	204
-1	Protected Persons Service	0	0	0
168	Confidential Unit	174	-6	168
0	Regional Asset Recovery Team	53	-53	0
6	Operational Security Officer	14	-7	7
0	Cyber Crime	27	-27	0
0	GAIN	3	-3	0
112	Undercover Forensics	302	-185	117
0	ACE	12	-12	0
0	ECURFT	14	-14	0
0	Prevent	9	-9	0
0	Disruption	15	-15	0
82	Business Support	95	-17	78
0	Other Titan Grants	47	-47	0
832	Total	1,305	-454	851

The following joint operations have Cheshire as lead force:

The North West Joint Underwater Search Unit serves the areas of Cheshire, Greater Manchester, Merseyside, Lancashire, Cumbria and North Wales with the overall expenditure being met by those forces.

The NW Armed Policing Collaboration was formed in 2012 with six member forces. Since this time the region has been operating under a single interim College of Policing (CoP) Firearms Training Licence having previously operated under six full training licences. Lancashire left the Collaboration on 31 March 2018.

The Armed Policing Alliance provides armed officers to both Cheshire and North Wales in a fully integrated joint force team since its inception in 2014. It is an armed policing alliance that serves the areas of Cheshire and North Wales and is staffed by police officers and support staff from the two constituent police forces with the overall expenditure being met by those forces.

The Dog Alliance provides dog handlers to both Cheshire and North Wales. The pilot went live operationally in April 2016 and provides a range of police dogs skills to both Cheshire and North Wales and is staffed by police officers and support staff from the two constituent police forces with the overall expenditure being met by those forces.

The ANPR collaboration has strong links to the North West Motorway Policing Group as Automatic Number Plate Recognition (ANPR) is identified as an effective method of providing protective services across the region's strategic road network. North Wales Police joined this arrangement in 2012.

2019-2020			2020-2021	
Net Expenditure	Functions	Expenditure	Income	Net Expenditure
£'000		£'000	£'000	£'000
73	Joint Underwater Search Unit	78	-4	74
56	Regional Firearms	97	-37	60
3,068	Armed Policing Alliance	3,145	0	3,145
660	Dogs Alliance	689	0	689
10	ANPR	10	0	10
3,867	Total	4,019	-41	3,978

The following operations are collaboration with other forces in Wales. The notional share of the expenditure and income has been reflected in the Comprehensive Income and Expenditure Statement allocated by population percentage across Wales.

SHARE OF SERVICE COLLABORATION 2020-2021		Counter Terrorism Intelligence Unit	Counter Terrorism Specialist Advisors	
	Population			
Gross Expenditure	%	£000	£000	
South Wales	42.48%	2,839	229	
Dyfed-Powys	16.48%	1,102	89	
Gwent	18.85%	1,260	101	
North Wales	22.19%	1,483	120	
Total:	100.00%	6,684	539	

	Population		
Total Income & Grants	%	£000	£000
South Wales	42.48%	-2,839	-229
Dyfed-Powys	16.48%	-1,102	-89
Gwent	18.85%	-1,260	-101
North Wales	22.19%	-1,483	-120
Total:	100.00%	-6,684	-539

SHARE OF SERVICE COLLABORATION 2019-2020		Counter Terrorism Intelligence Unit	Counter Terrorism Specialist Advisors
	Population		
Gross Expenditure	%	£000	£000
South Wales	42.41%	5,032	237
Dyfed-Powys	16.50%	1,959	92
Gwent	18.84%	2,235	105
North Wales	22.25%	2,640	125
Total:	100.00%	11,866	559

	Population		
Total Income & Grants	%	£000	£000
South Wales	42.41%	-5,032	-237
Dyfed-Powys	16.50%	-1,959	-92
Gwent	18.84%	-2,235	-105
North Wales	22.25%	-2,640	-125
Total:	100.00%	-11,866	-559

In 2017-2018 an All Wales Collaboration Team was established to coordinate existing activities and identify new opportunities for collaboration across the four Forces in Wales. Traditionally the team was led by a Deputy Chief Constable and funded based on agreed contributions from each Force in Wales. During 2019-2020 it was agreed that the team would be led by an Assistant Chief Constable with the costs of this lead role fully met by the home force. The total costs of the team in 2020-2021 were £161k (2019-2020 – £282k) and Police and Crime Commissioner for North Wales' contribution to these costs was £40k in 2020-2021 (2019-2020 – £59k). During 2020-2021 an Assistant Chief Constable from North Wales Police was the lead for the All Wales Collaboration Team, covering the period of 1st April 2020 until 17th January 21 which resulted in a remuneration of £110,147 as per Note 26 Officers' Remuneration, with the costs fully met by the Police and Crime Commissioner for North Wales.

Debtors and creditors in respect of the above arrangements have remained in the balance sheets of the lead forces by mutual agreement on the basis of materiality.

Collaboration – Third Party Payments

The only significant arrangement of this kind is the payment made towards the National Police Air Service (NPAS) which was £0.561 million in 2020-2021 (£0.457 million in 2019-2020).

Collaboration – Grant/Self-funding

In a small number of collaboration arrangements North Wales provided seconded officers to support the arrangements and was reimbursed by other forces or agencies who received grant funding from the Home Office or Welsh Government to cover expenditure costs.

22. Contingent Liabilities

Following successful claims in the court case Allard v Devon and Cornwall Police for unpaid overtime following recalls to duty, the judge has selected a number of test cases to consider all of the issues arising in these claims against forces across the country. North Wales Police claims are therefore stayed by order of the High court pending the outcome of the test cases. The total cost of the claims will be dependent upon the principles established in the test cases and a number could go back over a six year period but the overall financial impact is not expected to be material in relation to the overall financial position of the force. There is no insurance indemnity for these claims.

Following a Court of Appeal ruling, in the case of Evans & Ashcroft v Chief Constable of South Wales Police, the appellants' case regarding the perceived incorrect deductibility of certain injury related state benefits has been upheld. This relates to officers who received increases in Incapacity Benefit and Industrial Injury Disablement Benefit between 12.4.2001 and 14.4.2011 who should not have had the equivalent of these increases deducted from their injury pensions. The Home Office are expected to provide guidance on a national response as it is not clear if the ruling applies to similar cases.

Police Pension Fund Account

Police Officer Pensions are paid separately from the main revenue account. Employer and Employee contributions and other Pensions income are paid into the Police Pension Fund account and all the Police Pensions expenditure is paid out of the account. The Police Pension Scheme is an unfunded scheme and as such has no investment assets. Each individual Police and Crime Commissioner is required by legislation to operate a Pension Fund and the amounts to be paid into and out of the Pension Fund are specified by regulation. The Police Pension Fund Regulations 2007 provide that any deficit on the account is transferred to the main Police and Crime Commissioner accounts to balance the fund to nil. This deficit is reimbursed by the Home Office and is accounted for within the main Police and Crime Commissioner accounts. Similarly, any surplus arising from the expenditure being less than the income is required to be repaid to the Home Office by the Police and Crime Commissioner. Employees' and employer's contribution levels are based on percentages of pensionable pay set nationally by the Home Office and subject to triennial revaluation by the Government Actuary's Department. Long term pension obligations are detailed within note 17 Retirement Benefits.

The Pension account is designed to discharge liabilities to pay pensions as they fall due and takes no account of pensions and other liabilities after the period end. All fund transactions are treated in accordance with the Accounting Policies as set out on pages 43 to 58. Administration of the Pension Fund is carried out through a third party contract agreement.

2019-2020 £000	Fund Account	2020-2021 £000
	Contributions receivable	
	From Employer:-	
16,512	- Normal	17,980
0	- Early retirements	0
156	 Capital Charge for Ill Health Retirement 	673
7,157	Members Contributions	7,776
878	Transfer Values received	529
24,703	Total Income	26,958
	Benefits Payable	
37,896	Pensions	38,841
6,899	Commuted and lump sum retirement benefits	6,930
237	Lump Sum Death Benefits	168
	Payments to and on account of leavers	
0	Transfer out to other schemes	0
42	Refund of Contributions	11
45,074	Total amounts Payable	45,950
	Net Amount Payable for the year before transfer from the	
20,371	Police Fund	18,991
-20,371	Additional Contribution from the Police Fund (by grant)	-18,991
0	Net amount payable/receivable for the year	0
	Net Asset Statement:	
60	Contributions due from employer	60
21	Unpaid pension benefits	3
-81	Other current assets and liabilities (other than liabilities to pay	-63
	pensions and other benefits in the future)	
0	Total Liabilities	0

1. General

The Statement of Accounts summarises the Chief Constable's transactions for the 2019-2020 financial year and the position at the year-end of 31 March 2020. The Chief Constable is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014. The Regulations require the accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2016-2017, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the Local Government Act 2003. The code specifies the principles and practices of accounting required to prepare a Statement of Accounts which presents a 'true and fair' view of the financial position, financial performance and cash flows of the Chief Constable, including group financial statements. **These policies, principles and practices are applied in the same way to the Chief Constable's accounts as they are to the Group accounts and have been written at the Group level. Not all the Accounting Policies will be relevant to the Chief Constable, but they are included in order to have a full set of Accounting Policies within the Group.**

The accounting convention adopted is historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

2. Accruals of Income and Expenditure

Activity is accounted for in the year it occurs, not simply when cash payments are made and received. In particular:

- Revenue from sale of goods is recognised when the Police and Crime Commissioner transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Police and Crime Commissioner.
- Revenue from the provision of services to the Police and Crime Commissioner is recognised when the Police and Crime Commissioner can measure reliably the percentage of completion of the transaction, and it is probable that economic benefits or service potential associated with the transaction will flow to the Police and Crime Commissioner.
- Supplies are recorded as expenditure when they are consumed. Where there is a gap between the date that supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services rendered (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument, rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid a debtor or creditor for the relevant amount is recorded in the Balance Sheet. A deminimus level of £3k is set for these transactions. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

3. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that can mature immediately from the

date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Police and Crime Commissioner's cash management.

4. **Exceptional items**

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to understanding the Police and Crime Commissioner's financial performance.

5. **Prior Period Adjustments, Changes in Accounting Policies, Estimates and Errors**

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in the accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are made only when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Police and Crime Commissioner's financial position or financial performance. Where a change is made, unless stated otherwise it is applied retrospectively by adjusting opening balances and the comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

6. Charges to Revenue for Non-Current Assets

The Police and Crime Commissioner does not charge depreciation, revaluation and impairment or amortisation separately to services, support services or trading accounts.

The Police and Crime Commissioner is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, he is required to make an annual contribution from revenue towards the reduction in his overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Police and Crime Commissioner in accordance with statutory guidance.

Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the contribution in the General Fund Balance (Revenue Provision), and by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

7. Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Police and Crime Commissioner. An accrual is made for the cost of leave arising from holiday entitlements or time off in lieu earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being in the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed

through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Police and Crime Commissioner to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy, and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement at the earlier of: when the Police and Crime Commissioner can no longer withdraw the offer of those benefits; or when the Police and Crime Commissioner recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Police and Crime Commissioner to the pension fund or pensioner in the year, not the amount calculated in accordance to the relevant accounting standards. In the Movement of Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with the debits for the cash paid to the pension fund and pensioners together with any such amounts payable but unpaid at the year-end.

Post Employment Benefits

The Police and Crime Commissioner participates in two different pension schemes. Both schemes provide members with defined benefits related to pay and services.

Staff employed in the Office of the Police and Crime Commissioner and Police Staff

These employees are eligible to join the Local Government Pension Scheme, which is administered by Gwynedd Council. The triennial actuarial assessment carried out in 2016 stated that the employer's contribution needed to be set at a minimum of 16.3% per annum plus a lump sum of £0.8m to meet the liabilities of the fund. The triennial assessment carried out in 2019 set a minimum rate of 19% from April 2020 with no lump sum.

Police Officers

Until 2005-2006 the cost of the police pensions scheme, which was an unfunded, defined benefits scheme, was met from the preceding Police Authority's Income and Expenditure Account. In 2006-2007 there was a change in the way that police pensions were accounted for and a central fund was created by the Home Office to meet the cost of pensions and commutation payments. Police and Crime Commissioners pay a percentage of officers' salaries into the fund (currently 31.0%). Injury pensions continue to be the responsibility of the Police and Crime Commissioner and are met from the Police and Crime Commissioner's Income and Expenditure Account.

The Local Government Pension Scheme

The Local Government Pension Scheme is a defined benefits scheme:

- the liabilities of the Gwynedd Pension Fund attributable to the Police and Crime Commissioner are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and estimates of projected earnings for current employees.
- the liabilities are discounted to their value at current prices, using a discount rate based on an indicative rate of return on Government bonds adjusted for additional yield from high quality corporate bonds (iBoxx Sterling Corporates AA).

 the assets of the Gwynedd Pension Fund attributable to the Police and Crime Commissioner are included in the Balance Sheet at their fair value: Quoted securities at current bid price

Unquoted securities at professional estimate Unitised securities at current bid price Property at market value.

the change in the net pensions liability is analysed into the following components:

Service cost comprising:

- (i) Current Service Cost the increase in the present value of the defined benefit obligation resulting from employee service in the current period which is allocated to the Comprehensive Income and Expenditure Statement.
- (ii) Past Service Cost the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years and which are debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs.
- (iii) Net interest on the net defined benefit liability (asset) the net interest expense for the Police and Crime Commissioner from the change during the period in the net defined liability (asset) that arises from the passage of time and is charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit liability obligation at the beginning of the period to the net defined benefit liability (asset) at the end of the period by taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Remeasurements comprising:

- (i) The return on plan assets excluding amounts included in the net interest on the net defined benefit liability (asset) and is charged the Pensions Reserve as Other Comprehensive Income and Expenditure.
- (ii) Actuarial gains or losses changes in the net pensions' liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions which are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

Contributions paid to the Gwynedd Pension Fund – cash paid as employers' contributions to the pension fund in settlement of liabilities; this is not accounted for as an expense.

In relation to retirement benefits, statutory provisions require that the General Fund balance be charged with the amounts payable by the Police and Crime Commissioner to the pension fund or directly to pensioners in the year, not the amount calculated in accordance with the relevant accounting standards. In the Movement in Reserves Statement, this means there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with the debits for cash paid to the pension fund and pensioners and together with any other amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Police and Crime Commissioner has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pensions Scheme and in accordance with the Police and Crime Commissioner's early retirement process.

8. **Events after the Reporting Period**

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period, which require the Statement of Accounts to be adjusted to reflect such events.
- those that are indicative of conditions that arose after the reporting period, which do not require the Statement of Accounts to be adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

9. **Financial Instruments**

Financial Liabilities

Financial Liabilities are recognised on the Balance Sheet when the Police and Crime Commissioner becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are subsequently carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts the estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

The amount presented in the balance sheet with respect to long and short term borrowing is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable in the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums or discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Police and Crime Commissioner's policy is to spread the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The

reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by the transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement. <u>Financial Assets</u>

Financial assets are classified into two types:

- loans and receivables which are assets that have a fixed or determinable repayments but are not quoted in an active market

- available-for-sale assets which are assets that have a quoted market price and/or do not have fixed or determinable payments

Loans and Receivables

Loans and receivables are recognised on the Balance Sheet when the Police and Crime Commissioner becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Police and Crime Commissioner has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

Where assets are identified as impaired because the likelihood arising from a past event that payments due under a contract will not be made, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains or losses that arise in the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Available-for-sale Assets

Available-for-sale assets are recognised on the Balance Sheet when the Police and Crime Commissioner becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument. Where there are no fixed or determinable payments, income (e.g. dividends) is credited to the Comprehensive Income and Expenditure Statement when it becomes receivable by the Police and Crime Commissioner.

Assets are maintained in the Balance Sheet at fair value. Values are based on the following techniques:

- instruments with quoted market prices the market price
- other instruments with fixed and determinable payments discounted cash flow analysis
- equity shares with no quoted market prices independent appraisal of company valuations.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs quoted prices (unadjusted) in active markets for identical assets that the Police and Crime Commissioner can access at the measurement date.
- Level 2 inputs inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.

- Level 3 inputs – unobservable inputs for the asset.

Changes in fair value are balanced by an entry in the Available-for-Sale Reserve and the gain/loss is recognised in the Surplus or Deficit on Revaluation of Available-for-Sale Financial Assets. The exception is where impairment losses have been incurred – these are debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any net gain or loss for the asset accumulated in the Available-for-Sale Reserve.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made (fixed or determinable payments) or fair value falls below cost, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. If the asset has fixed or determinable payments, the impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. Otherwise, the impairment loss is measured as any shortfall of fair value against the acquisition cost of the instrument (net of any principal repayment and amortisation). Financial assets held at amortised cost are shown net of a loss allowance (where material) reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Police and Crime Commissioner.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any accumulated gains or losses previously recognised in the Available-for-Sale Reserve. Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

10. **Government Grants and Contributions**

Whether paid on account, by instalments or in arrears, government grant and third party contributions and donations are recognised as due by the Police and Crime Commissioner when there is reasonable assurance that:

- the Police and Crime Commissioner will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Police and Crime Commissioner are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is transferred to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

11. Interest in other entities

The Police and Crime Commissioner has material interests in other entities that have the nature of a subsidiary, associate and jointly controlled entities and is required to prepare group accounts. In the Police and Crime Commissioner's single entity accounts interests in other entities are recorded in accordance with proper accounting practice. In respect of the North Wales Police and the Police and Crime Commissioner's group accounts, the Chief Constable of North Wales is deemed to be a 100% wholly owned subsidiary of the Police and Crime Commissioner.

12. Inventories and Long term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using the first in first out (FIFO) costing formula. Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works or services received under the contract during the financial year.

13. Jointly Controlled Operations and Jointly Controlled Assets

Jointly controlled operations are activities undertaken by the Police and Crime Commissioner in conjunction with other venturers that involve the use of the assets and resources of the venturers rather than the establishment of a separate entity. The Police and Crime Commissioner recognises on the Balance Sheet the assets that the Commissioner controls including his share of any assets held jointly and the liabilities that the Commissioner incurs including his share of any liabilities incurred jointly and debits and credits the Comprehensive Income and Expenditure Statement with the expenditure and any share of expenditure incurred jointly and the share of income that is earned from the activity of the operation.

Jointly controlled assets are items of property, plant or equipment that are jointly controlled by the Police and Crime Commissioner and other venturers, with the assets being used to obtain benefits for the venturers. The joint venture does not involve the establishment of a separate entity. The Police and Crime Commissioner accounts for only his share of the jointly controlled assets, the liabilities and expenses that he incurs on his own behalf or jointly with others in respect of his interest in the joint venture and income that is earned from the venture. Details of any jointly controlled operations can be seen in Note 21 to the Accounts.

14. Leases

Finance leases transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey the right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Police and Crime Commissioner as a Lessee

Finance Leases

Property, plant and equipment held under finance leases are recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by the liability for the obligation to pay the lessor. Initial direct costs to the Police and Crime Commissioner are added to the carrying amount of the asset. Premiums paid on entry into the lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment which is applied to write down the lease liability, and
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, plant and equipment recognised under finance leases are accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Police and Crime Commissioner at the end of the lease period).

The Police and Crime Commissioner is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense for the use of leased property, plant and equipment. Charges are made on a straight-line basis over the life of the lease even if this does not match the pattern of payments (e.g. there is a rent free period at the commencement of the lease).

The Police and Crime Commissioner as a Lessor

A lessor lets property, plant or equipment under a lease arrangement to others.

Finance Leases

Where the Police and Crime Commissioner grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the balance sheet as a disposal. At the commencement of the lease the carrying amount of the asset in the balance sheet, (whether property, plant or equipment or assets held for sale) is written off to the other operating expenditure line in the comprehensive income and expenditure statement as part of the gain or loss on disposal. A gain representing the Police and Crime Commissioner's net investment in the lease, is credited to the same line in the comprehensive income and expenditure statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long term debtor) asset on the balance sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the comprehensive income and expenditure statement).

The gain credited to the comprehensive income and expenditure statement on disposal is not permitted by statute to increase the general fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the general fund balance to the capital receipts reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the general fund balance to the deferred capital receipts reserve in the Movement in Reserves Statement.

When the future rentals are received the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point the deferred capital receipts are transferred to the capital receipts reserve. The written off value of disposals is not a charge against council tax, as the cost of noncurrent assets is fully provided for under separate arrangements under capital financing. Amounts are therefore appropriated to the capital adjustment account from the general fund balance through the Movement in Reserves Statement.

Operating Leases

Where the Police and Crime Commissioner grants an operating lease over a property or an item of plant or equipment, the asset is retained in the balance sheet. Rental income is credited to the other operating expenditure line in the comprehensive income and expenditure statement. Credits are made on a straight line basis over the life of the lease even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating or arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

15. **Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the Police and Crime Commissioner's arrangements for accountability and financial performance

16. **Property Plant and Equipment**

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Police and Crime Commissioner and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- if applicable, the initial estimate of costs of dismantling and removing the item and then restoring the site on which it is located.

The Police and Crime Commissioner does not capitalise borrowing costs incurred whilst the assets are under construction.

The cost of an asset other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows to the Police and Crime Commissioner). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Police and Crime Commissioner.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, (unless the donation has been made conditionally); until conditions are satisfied the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement basis:

- Infrastructure, community assets and assets under construction depreciated historical cost
- Dwellings and all other assets fair value determined as the amount that would be paid for the asset in its existing use (i.e. existing use value or EUV).

Where there is no market based evidence of current value because of the specialist nature of the asset, depreciated replacement cost is used as a substitute for fair value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a substitute for current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure their carrying amount is not materially different from their fair value at the year-end, as a minimum every five years. Increases in the valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains may be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against the balance (up to the amount of the accumulated gains)
- where there is no balance in the revaluation reserve or an insufficient balance, the carrying amount of the asset is written down in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before this date have been consolidated into the Capital Adjustment Account.

<u>Impairment</u>

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as following:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gain)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (assets under construction).

Where an asset has major components with significant value, the components are depreciated separately. The Police and Crime Commissioner has applied the following de-minimus limits and components will be recognised separately only where:

- (i) Remaining life of component is between 0 and 10 years and value of component is over £500k
- (ii) Remaining life of component is between 10 and 15 years and value of component is over £750k
- (iii) Remaining life of component is between 15 and 20 years and value of component is over £1,000k
- (iv) Remaining life of component is between 20 and 30 years and value of component is over £1,250k
- (v) Remaining life of component is between 30 and 40 years and value of component is over £1,500k
- (vi) Remaining life of component is between 40 and 50 years and value of component is over £2,000k
- (vii) Remaining life of component is between 50 and 60 years and value of component is over £4,000k

Asset Type:	Depreciation Policy:
Buildings	Depreciated over the life expectancy as stated by the valuer on
	a straight line method and revalued at least every 5 years
Computer Equipment	Straight line over 3 to 5 years commencing in the year
	following purchase.
General Equipment,	Straight line over 7-10 years commencing in the year following
Furniture and Fittings	purchase.
and Radio Equipment	
Vehicles	Straight line over 3-8 years commencing in the year following
	purchase.
Land	Undeveloped sites are not depreciated.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-Current Assets held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to the fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to noncurrent assets and valued at the lower of their carrying amount before they were classified as held for sale (adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale), and their recoverable amount at the date of the decision not to sell. Details of any properties classified as Assets Held for Sale are disclosed in the Balance Sheet and relevant notes.

Assets that are to be abandoned or scrapped are not classified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve and then can be used only for new capital investment (or set aside to reduce the Police and Crime Commissioner's underlying need to borrow - the capital financing requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The value of disposals written out is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

17. **Private Finance Initiative**

The Police and Crime Commissioner has entered into one long term contractual agreement under PFI where the contractor is responsible for design, construction, finance and maintenance of the Custody Suite, Major Incident facility, Scientific Support facility and office space at St. Asaph. As the Police and Crime Commissioner is deemed to control the services that are provided under its PFI scheme and as ownership of the fixed assets will pass to the Police and Crime Commissioner at the end of the contract for no additional charge, the Police and Crime Commissioner carries the fixed assets used under the contracts on the Balance Sheet.

The original recognition of these fixed assets has been balanced by a corresponding liability for the amounts due to the scheme operator.

18. **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are made where an event has taken place that gives the Police and Crime Commissioner a legal or constructive obligation that probably requires settlement by transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense in the Comprehensive Income and Expenditure Statement in the year that the Police and Crime Commissioner becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year and where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made); the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is recognised as income for the relevant service only when it is virtually certain that reimbursement will be received if the Police and Crime Commissioner settles the obligation.

The insurance provision covers insurance liability for those risks not covered externally and also covers any excess on external insurance policies. The provision covers public and employer's risk. There are contingent liabilities to be met from this provision.

The provision for doubtful debts, now called loss allowances, is included within Debtors in Current Assets.

Carbon Reduction Commitment (CRC) Energy Efficiency Scheme – this is a mandatory scheme for large public and private sector organisations and is designed to improve energy efficiency and cut emissions. Organisations that qualify are required to purchase and surrender carbon allowances on the basis of their emissions and reflect any liabilities within their accounts. The Police and Crime Commissioner is currently not required to participate in the scheme due to current emissions being below the qualification threshold.

Contingent Liabilities

A contingent liability arises when an event has taken place that gives the Police and Crime Commissioner a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Police and Crime Commissioner. They can arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises when an event has taken place that gives the Police and Crime Commissioner a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Police and Crime Commissioner.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

19. **Reserves**

The Police and Crime Commissioner sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts from the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged in that year to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The amount is then appropriated back into the Usable Revenue Reserves in the Movement in Reserves Statement so there is no net charge to council tax for the expenditure during the accounting period.

Unusable Reserves - certain reserves are maintained to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Police and Crime Commissioner. Reserves are explained in the relevant policies within the Medium Term Financial Plan.

20. **Revenue Expenditure Funded from Capital under Statute**

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure in the Comprehensive Income and Expenditure Statement in the year. Where the Police and Crime Commissioner has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account reverses the amounts charged so that there is no impact on the level of revenue expenditure.

21. Recognition of Revenue from Non-Exchange Transactions

Assets and revenue arising from non-exchange transactions are recognised in accordance with the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, except where interpreted or adapted to fit the public sector are detailed in the Code and/or IPSAS 23, "Revenue from Non- Exchange Transactions (Taxes and Transfers)."

Taxation transactions - Assets and revenue arising from taxation transactions are recognised in the period in which the taxable event occurs, provided that the assets satisfy the definition of an asset and meet the criteria for recognition as an asset.

Non-taxation transactions - Assets and revenue arising from transfer transactions are recognised in the period in which the transfer arrangement becomes binding. Services in-kind are not recognised. Where a transfer is subject to conditions that, if unfulfilled, require the return of the transferred resources, the Police and Crime Commissioner recognises a liability until the condition is fulfilled.

Basis of Measurement of Major Classes of Revenue from Non-Exchange Transactions - Taxation revenue is measured at the nominal value of cash, and cash equivalents. Assets and revenue recognised as a consequence of a transfer are measured at the fair value of the assets recognised as at the date of recognition:

- Monetary assets are measured at their nominal value unless the time value of money is material, in which case present value is used, calculated using a discount rate that reflects the risk inherent in holding the asset; and
- Non-monetary assets are measured at their fair value, which is determined by reference to observable market values or by independent appraisal by a member of the valuation profession. Receivables are recognised when a binding transfer arrangement is in place but cash or other assets have not been received.

22. **VAT**

Generally, the Comprehensive Income and Expenditure Statement excludes VAT as any collected is paid to HM Revenues and Customs and any VAT paid is recoverable from them. Value added tax is included in the Comprehensive Income and Expenditure Statement only if it is irrecoverable.

23. Fair Value

The Police and Crime Commissioner measures some of his financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The Police and Crime Commissioner measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Glossary of Terms

Accounting Policies

These are the set of rules and codes of practice we use when preparing the accounts.

Accrual and Pre payment

A sum included in the final accounts to cover income and expenditure attributable to the accounting period, but for which payment has been or will be made/ received in a different accounting period.

Budget

A statement of the Police and Crime Commissioner's plans in financial terms. A budget is prepared and approved by the Police and Crime Commissioner before the start of each financial year and is used to monitor actual expenditure throughout the year.

Capital Expenditure

Expenditure on new assets or on the enhancement of existing assets so as to prolong their useful life or enhance market value.

Capital Receipts

Proceeds of not less £10,000 from the sale of fixed assets. They may be used to finance new capital expenditure or repay debt. They cannot be used to finance normal day to day revenue spending.

Contingent Liabilities/Assets

These arise from a past event which is dependent upon future uncertain events and timing prior to being recognised in the accounts.

Creditors

Amounts owed by the Police and Crime Commissioner at 31 March for goods received or services rendered but not yet paid for.

Debtors

Amounts owed to the Police and Crime Commissioner which are collectable or outstanding at 31 March.

Depreciation

The loss in value of an asset due to age, wear and tear, deterioration and obsolescence.

Direct Revenue Funding of Capital

Contributions from revenue to finance capital expenditure and thus reduce the requirement to borrow.

Earmarked Reserves

Amounts set aside for a specific purpose to meet future commitments or liabilities.

Fair Value

The amount for which asset could be exchanged, or a liability settled, between market participants at a specified date.

Financial Instruments

Any contract that gives rise to a financial asset of one entity and a financial liability, or equity instrument of another entity.

International Accounting Standard (IAS)

Standards for the preparation and presentation of financial statements created by the International Accounting Standards Committee.

International Financial Reporting Standards (IFRS)

International Financial Reporting Standards, as agreed by the UK accountancy profession and the Accounting Standards Board. These include Statements of Standards Accounting Practice (SSAPs).

Impairment

A reduction in the carrying value of a fixed asset below what it is currently recognised within the balance sheet (see accounting policies).

Liquid Resources

Current asset investments that are readily disposable by the Police and Crime Commissioner without disrupting business and are either readily convertible to known amounts of cash at or close to the carrying amount, or traded in an active market.

Minimum Revenue Provision

The prudent amount provided to offset against borrowing under the prudential framework.

Net Debt

The Police and Crime Commissioner's borrowings less cash and liquid resources.

Non-Current Assets

Assets that yield benefits to the Police and Crime Commissioner and the services it provides for a period of more than one year.

Non-Domestic Rates (NDR)

This is the charge levied on occupiers of business premises to finance a proportion of local Police and Crime Commissioner and police revenue expenditure. The amount of NDR is set by central government by virtue of a multiplier applied to the rateable values. The multiplier is consistent throughout Wales with the total collected being distributed by the central government.

Non-operational Assets

Fixed assets held by the Police and Crime Commissioner but not directly occupied, used or consumed in the delivery of services.

Operational Assets

Fixed assets held and occupied, used or consumed by the Police and Crime Commissioner in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

Outturn

The actual income and expenditure during the financial period as opposed to that budgeted.

Private Finance Initiative (PFI)

A contract involving the private sector and public sector jointly to deliver public services.

Precept

A levy which the Police and Crime Commissioner makes through the council tax to pay for services.

Provision

A liability for which monies are set aside when it is recognised that there is an obligation to pay but the timing or amount may be uncertain.

Public Works Loan Board (PWLB) (part of the UK Debt Management Office)

A government agency which provides longer term loans to local authorities at interest rates only slightly higher than those at which the government itself can borrow.

Remuneration

All amounts paid to or receivable by a person, and includes sums by way of expenses allowances (so far as these are subject to UK income tax) and the estimated money value of any other benefits received by an employee otherwise than in cash.

Reserves

Amounts set aside to cover general expenditure needs in the future. These can be usable or unusable (which are reserves held in conjunction with accounting treatments).

Revaluation

Carried out to ensure assets are accurately reflected in the accounts at fair value.

Revenue Expenditure

Spending on day to day items, including salaries, premises costs, transport and supplies and services.

Revenue Support Grant

A grant paid by central government in support of a Police and Crime Commissioner's revenue expenditure.

Slippage

Delayed capital expenditure not incurred within the original time frame.

Supported Borrowing

An approval issued by the Government that enables a Police and Crime Commissioner to borrow up to a specific amount in order to finance capital expenditure.

Unsupported Borrowing

Borrowing arranged under the prudential code regime which is funded from the Police and Crime Commissioner's general resources.

Usable Capital Receipts

Income from the sale of assets that is available for use to finance only capital expenditure.

Annual Governance Statement 2020-2021

- 1.1. The Police and Crime Commissioner and the Chief Constable have joint governance arrangements. Therefore, many of the controls are common to both corporations sole. The Police and Crime Commissioner and Chief Constable have a Joint Governance Board to ensure that they fulfil their corporate governance responsibilities. The Board is chaired by the Police and Crime Commissioner's Chief Finance Officer and attended by senior officers of both Police and Crime Commissioner and Chief Constable. The purpose of the Joint Governance Board, therefore, is to enable the Police & Crime Commissioner and Chief Constable to fulfil these responsibilities by ensuring the corporate governance structures, processes and procedures of the OPCC and Force are robust, efficient and effective; comply with all relevant legislation, regulations and guidance; and reflect best practice. The Board also collates and documents the evidence to produce this Annual Governance Statement. The Board met four times during 2020-2021. During 2019-2020, a separate review of governance was undertaken, and actions arising from the review were begun immediately. The work continued during 2020-2021 and the recommendations were fully implemented by the end of the year, with continuous assessments being made as recommended in the review.
- 1.2. The Police and Crime Commissioner and the Chief Constable have a Scheme of Consent, which has been in place since 1 April 2014 and was reviewed and revised in September 2019. The aim of this Scheme is to provide for proper arrangements for the management of activities on behalf of the Commissioner and the Chief Constable. The Commissioner has a statutory duty and electoral mandate to ensure an efficient and effective police service and to hold the Chief Constable to account on behalf of the public. The Commissioner is responsible for the totality of policing. The Chief Constable is charged with the impartial direction and control of all police officers and staff within the police force that they lead and is responsible for maintaining the Queen's Peace. The Chief Constable holds office under the Crown, but is appointed by the Commissioner. This Scheme was in effect throughout the financial year and has been agreed by all the named Senior Officers within the Scheme and the Chief Constable and Police and Crime Commissioner for North Wales.
- 1.3. Both the Police and Crime Commissioner and the Chief Constable are required to have a Chief Financial Officer to undertake the statutory section 151 responsibilities. There is an established Joint Audit Committee; the purpose of the Committee is to provide independent advice and recommendation to the Police and Crime Commissioner and the Chief Constable regarding the adequacy of the governance and risk management framework, the internal control environment and financial reporting. The Joint Audit Committee had an ongoing remit tracking progress of the Governance review as it progressed in 2020-2021.
- 1.4. Each force area has a Police and Crime Panel to support the effective exercise of the functions of the police and crime commissioner, and to review or scrutinise decisions made, or other actions taken, by the police and crime commissioner in connection with the discharge of the commissioner's functions. The Commissioner will also be required to consult with the Panel on his plans and budget for policing, as well as the level of council tax and the appointment of a Chief Constable, Chief Executive Officer, Chief Finance Officer and Deputy Police and Crime Commissioner. The panel is made up of ten local councillors and two co-opted independent members, however in September 2016 the Panel appointed a third co-opted independent member following a recruitment campaign. The increase was sanctioned by the Home Secretary. Conwy County Borough Council is the 'Host Authority' for the North Wales Police and Crime Panel and provides the required support services for the effective operation and discharge of duties of the Police and Crime Panel.
- 1.5. Governance is about how the Police and Crime Commissioner and the Chief Constable ensure they are doing the right things, in the right way for the right people, in a timely, inclusive, open and accountable manner. It comprises the systems, processes, culture, behaviour and values, by which the organisation is directed and controlled and also the activities by which it is held to account and engages with the community it serves. This Annual Governance Statement (AGS) for the Police and Crime Commissioner and the Chief Constable describes how the organisation can show it has discharged its two overarching statutory duties during 2020-2021:
 - To secure an effective and efficient police service and
 - To be accountable for the exercise of their functions and those of people under their direction and control.

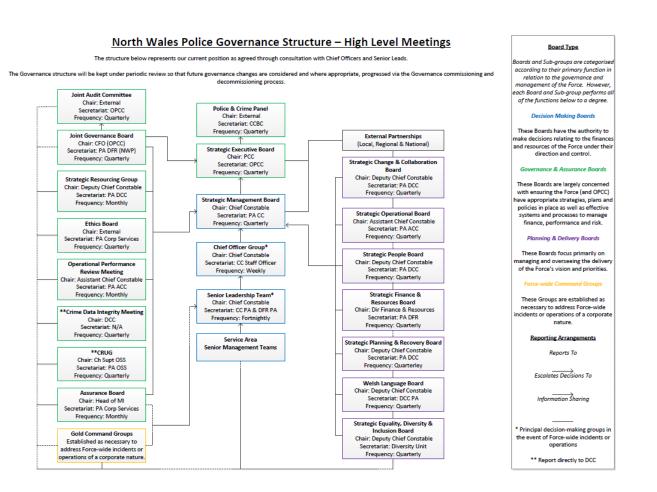
- 1.6 The Covid-19 pandemic was described as a "Public Health Emergency of International Concern" on 31 January 2020. Restrictions aimed at reducing the spread of Covid-19 were announced by the government on 23 March 2020 with the Coronavirus Act receiving Royal Assent on 25 March 2020. The impact on the governance process is reflected where appropriate throughout this report.
- 1.7 A Covid-19 Gold, Silver, Bronze response command structure was set up within the Force and established regionally as part of the North Wales Local Resilience Forum (LRF) with the Strategic Co-ordination Group (which was responsible for leading on the multi agency response to Covid-19) being chaired by a Police Gold Commander. It also featured formally within the Force's risk management framework and was a key factor in operational decisions considering the implications for capacity and capability for various functions within the Force. The Police and Crime Commissioner also published a Covid-19 Response Plan.
- a. During 2020-2021, Covid-19 has continued to have a significant bearing on the organisation's working practices transforming them for both the Office of the Police and Crime Commissioner and North Wales Police to accommodate social distancing and other public health measures. In addition, operational decision making within the police service has continued to be led by the governance structures established towards the end of 2019-2020 providing a clear line of sight for related decision making including oversight of demand, capability and capacity pressures created by Covid-19. To ensure clarity around governance arrangements was retained during Covid-19 the Police and Crime Commissioner published a 2020-2021 Covid-19 response plan in May 2020 ensuring that clear accountability remained in place.
- b. More recently HMICFRS inspections exploring the effectiveness of decision making during Covid-19 have been announced along with a number of other more focussed reviews that will explore the effectiveness of the Governance and decision making in other areas. HMICFRS plays a key role in informing the Chief Constable, the Commissioner and the public on the efficiency and effectiveness of their forces and, in so doing, facilitate the accountability of the PCC to the public. Whilst, Covid-19 has had a disruptive impact on the work undertaken by HMICFRS the force has remained focussed on the areas for improvement identified in earlier inspections.
- c. 2020-21 also marked the first year that the force undertook a self-assessment against the CIPFA Financial Management (FM) Code of practice. The assessment concluded that both the Police and Crime Commissioner and the Chief Constable were compliant with the FM Code, further reference is made in the sections to follow. Whilst the assessment was one of compliance, any areas for continuous improvement identified are being progressed incidentally to the process. Internal Control activity primarily in the form of TIAA's Internal Audit programme were also able to progress albeit primarily through a remote delivery model.
- d. Looking beyond the Covid-19 restrictions a Strategic Recovery & Planning Board, chaired by the Deputy Chief Constable, has been added to the Force's Governance structure with the OPCC also having representation on that board ensuring that the activity driving the recovery is suitably strategically aligned. Progress has been reported to the Joint Audit Committee during 2020-2021. Furthermore, work has been undertaken around Business Continuity Planning and Resilience beyond the specific impact of Covid-19 with this work continuing to be progressed across the Force.

2. Purpose and scope of responsibility for the Governance Framework

- 2.1. The Police and Crime Commissioner and the Chief Constable are responsible for ensuring their business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used effectively, efficiently and economically. They also have a duty to make arrangements to secure continuous improvement in the way in which their functions are exercised.
- 2.2. In discharging their overall responsibility, the Police and Crime Commissioner and the Chief Constable are also responsible for putting in place proper arrangements for the governance of their affairs and facilitating the exercise of their functions, which 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 CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and Chief Finance Officer of the Constable

and the Home Office Financial Management Code of Practice for the Police Forces of England and Wales and Fire and Rescue Authorities created under Section 4A of the Fire and Rescue Services Act 2004 (revised 2018).

- 2.3. This statement explains how the Police and Crime Commissioner and the Chief Constable have complied with the Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government updated in 2016 and also meets the requirements of the Accounts and Audit (Wales) Regulations 2014 as amended, in relation to the statement of internal control and the publication of the Annual Governance Statement.
- 2.4. The governance framework comprises the systems and processes, culture and values by which the Police and Crime Commissioner and the Chief Constable are directed and controlled and its activities through which it accounts to, engages with and leads its communities. The framework enables the Police and Crime Commissioner and the Chief Constable to monitor the achievement of their strategic objectives and consider whether those objectives have led to the delivery of appropriate, cost effective services and the achievement of value for money.
- 2.5. 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 prevent all risk of failure to achieve policies, aims and objectives; it can provide only reasonable rather than absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the organisation's aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, to manage them efficiently, effectively and economically.
- 2.6. The governance framework has been in place throughout the year ended 31 March 2021 and up to the approval of the Statement of Accounts. A more formal self-assessment of its efficiency and effectiveness is being progressed under the oversight of the Joint Governance Board with Internal Audit providing a written confirmation of the adequacy of the Governance arrangements as part of their annual audit opinion. However, the areas of both Corporate Governance and Risk Management were subject to continued scrutiny and challenge via the Joint Governance Board and the Joint Audit Committee over the course of 2020-2021. As a result the approach in both areas has developed with further work planned for 2021-2022 and subsequently being progressed and monitored. The high level Governance structure of the force is outlined schematically below:



North Wales Police Governance Structure, Corporate Services

3. CIPFA Principles of Good Governance and the Financial Management Code

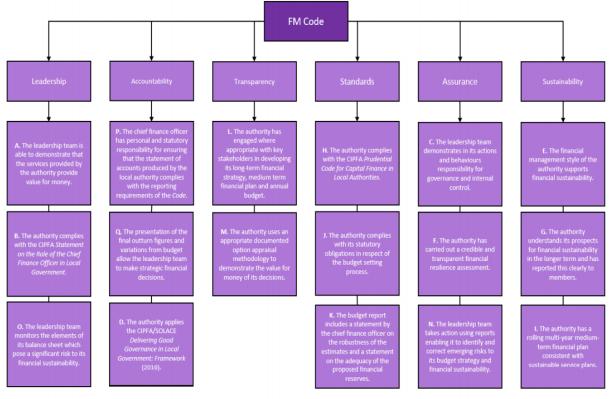
The CIPFA/SOLACE Framework: Delivering Good Governance in Local Government sets out seven principles of good governance which underpin effective governance arrangements to ensure that the intended outcomes for stakeholders are defined and achieved.

The arrangements specific to the Police and Crime Commissioner and Chief Constable are detailed within the seven principles below:



The sections that follow, review the arrangements in place across the force and their adequacy, cross referencing the sections outlined on the diagram above.

Furthermore (and in part discharging an action identified in the previous AGS action plan) during 2020-21, the Force undertook a self assessment against the CIPFA Financial Management Code for the first time. The code provides guidance to support good and sustainable financial management in local authorities (and other designated bodies such as policing) to support them to demonstrate their financial sustainability. The key elements of the code against which the Force's position was assessed are outlined below.



The Financial Management Code: The Practicalities of Compliance, CIPFA

Findings from this assessment were reported initially to the Joint Governance Board and subsequently to the Joint Audit Committee with relevant findings relating to the arrangements in place also referenced in the sections to follow.

3.1. Ethics and Integrity

There are corporate processes in place to support the core principle of ethics and integrity such as the Policing Protocol 2011 which requires everyone in the organisation to abide by the seven principles of public life (the Nolan principles). Additionally, the Home Office Financial Management Code of Practice requires the Police and Crime Commissioner and Chief Constable to ensure that good governance is embedded within the organisations and the College of Policing Code of Ethics sets out the standards of behaviour expected for all people working in policing.

The Police and Crime Commissioner's Code of Conduct and Chief Constable's Code of Ethics underpin the standards of expected conduct and behaviour. The Police and Crime Commissioner and Chief Constable have policies and procedures and regulations in place that comply with law and conform to appropriate ethical standards and standards of professional behaviour. Ethical considerations are part of any business decisions taken and are set out within policies in operation within both organisations.

The Police and Crime Commissioner and Chief Constable have an Anti-Fraud and Corruption Policy and whistleblowing arrangements in place which manage effectively the risk of fraud and corruption. Processes for declaring interest and registers for gifts and hospitalities are maintained and updated as required. Both the

Joint Audit Committee and the Police and Crime Panel discharged fully all the functions as identified in the relevant CIPFA publication for Audit Committees. The Joint Audit Committee's Terms of Reference may be found on the Police and Crime Commissioner's website.

The Police and Crime Commissioner has in place procedures for receiving feedback about policing in North Wales, and decisions made by or on behalf of the Police and Crime Commissioner and his officers. He also has procedures in place for the handling of complaints about the Chief Constable. Additionally, the Police and Crime Panel fulfils its responsibilities in relation to complaints made about the Police and Crime Commissioner as set out within the Police Reform and Social Responsibility Act.

To ensure ethical issues and dilemmas occurring at all levels are appropriately considered and discussed, the Force Governance Structure includes an Ethics Committee with an open invitation for the Office of the Police and Crime Commissioner to attend. Ethical dilemmas can be submitted anonymously via the Force Intranet site or by email and a summary of findings from the Committee are published on the Force Intranet site alongside being reported to Senior Management via the Governance structures for further consideration and reflection as required.

During 2020-21, in the pursuit of good practice, a new independent chair was appointed to the Ethics Committee and furthermore a governance framework to oversee and scrutinise the ethical implications associated with any use of Algorithms or Automated Decision Making was also established in Force with an appropriate reporting route through the Governance structures put in place.

3.2. Openness and Stakeholder Engagement

The Police and Crime Commissioner and the Chief Constable promote an open and transparent culture throughout the organisations to ensure that services meet people's needs. All public meeting papers and minutes are published on the website along with any decisions taken by the Police and Crime Commissioner. The Police and Crime Commissioner received a CoPaCC (Comparing Police and Crime Commissioners) transparency award for three consecutive years and secured this for a fourth year in August 2020. The most recent evaluation assesses not only whether the Police and Crime Commissioner publishes information on the website, but also whether it can be found and accessed easily.

The Police and Crime Commissioner is accountable to the people of North Wales to deliver an efficient and effective police service to the people of North Wales and the Chief Constable is accountable to the Police and Crime Commissioner to ensure that an effective police service is provided to the people of North Wales.

The Police and Crime Commissioner and the Chief Constable regularly publish information on the Commissioner's and Chief Constable's work and achievements and satisfaction of users, including the publication of a Police and Crime Plan and an Annual Report.

There is a consultation and engagement strategy in place to ensure that our services are responsive to issues raised. We regularly conduct surveys to inform our service delivery and assist in developing our priorities and objectives. Both the Police and Crime Commissioner and Chief Constable have internal and external consultation mechanisms in place which are used to inform and improve services. TIAA (the internal auditor) concluded a review of corporate communications for both the Police and Crime Commissioner and the Force in June 2020, which was assessed as "reasonable" assurance, and found that *comprehensive arrangements are found to be in place to ensure that Internal and External Communications strategies for the Force and Police and Crime Commissioner are effective.*

The Police and Crime Commissioner and Chief Constable work in partnership and collaboration with other organisations to achieve shared objectives and to ensure effective delivery of services which meet the needs of the organisations. Partnership and collaboration arrangements that are in place are monitored and kept under review to ensure that performance is achieved and objectives are met and stakeholder engagement is also a feature of our recruitment process for senior roles.

We have an effective scrutiny function, supported by evidence and data analysis, to challenge decision makers constructively, including those who work in partnership with the Commissioner and Chief Constable. All key decisions taken include a financial impact, legal impact, equality impact and risk assessment with the Governance structures in place providing visibility around them and this continued to be the case during 2020-21. The Commissioner's decisions are published on his website, and are also reported to the Police and Crime Panel. The Police and Crime Commissioner frequently attends local authority scrutiny committees. Further scrutiny is provided by the Joint Audit Committee. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards with committee papers being published on the Commissioner's website. During 2019-2020 work was undertaken to develop the relevance and appropriateness of information provided to the Joint Audit Committee and this progressed further during 2020-2021. Independent scrutiny and challenge has been provided by the audit committee in a number of areas including the understandability of our financial statements; scrutiny of key decisions taken in relation to key Corporate risks (such as the Command & Control upgrade); and in relation to the Force's ongoing Digital work streams including the work stream responsible for developing its future ICT target operating model.

The post of Chief Executive to the Police and Crime Commissioner is the designated Monitoring Officer and there are arrangements to record any professional advice that is required for specialist areas.

Furthermore, the Chief Financial Officers for the Police and Crime Commissioner and the Chief Constable complied with the CIPFA statement 'the Role of the Chief Financial Officer of the Police and Crime Commissioner and of the Chief Constable'.

3.3. Defining Outcomes

The Police and Crime Commissioner and Chief Constable will, as part of the strategic planning process, develop informed strategies and plans which are outcome focused, sustainable and take into account the level of resources required to adequately deliver them.

The Police and Crime Commissioner sets the police and crime objectives and these are contained in the Police and Crime Plan. The Police and Crime Plan has been communicated to the public through the website and by various engagement activities and a brief summary of performance is included on the council tax leaflet sent to every household, either electronically or by post. A summary is given below, with the Commissioner's Covid Response Plan confirming the ongoing relevance of these priorities: The police and crime objectives, priorities and financial options were developed from the Police and Crime Commissioner's vision and a joint analysis of:

- Assessment of crime and the required level of service
- Consultation with local people
- Consultation with partners
- Consultation between the Police and Crime Commissioner and the Chief Constable
- The findings of external audit and reviews by Wales Audit Office and HMICFRS
- Risk assessment

The Police and Crime Commissioner's police and crime objectives are directed and delivered by the Chief Constable and, in turn, by the Strategic Management Board (SMB) during the year. Resources are allocated against the plan as part of the Force's annual strategic planning process which considers demand and resource requirements against each area taking account of detailed demand assessments (via the Force Management Statement) and then the Force monitors performance against its delivery utilising its Balanced Scorecard framework. The Commissioner's performance is monitored and reported within the Annual Report, Statement of Accounts and the Medium Term Financial Plan.

The Strategic Executive Board (SEB) is the public forum for scrutiny of the Chief Constable by the Police and Crime Commissioner and minutes of each meeting are published. The additional functions of the Board include:

- To take such decisions as are required by the Scheme of Governance to be taken jointly by the Commissioner and the Chief Constable; and
- To develop proposals for the delivery of the Commissioner's police and crime objectives as set out in the Plan.

The Strategic Executive Board (SEB) and Strategic Management Board (SMB) scrutinise operational and financial performance, service delivery and the achievement of the police and crime objectives. A programmed approach to delivery of plans is in place via the Strategic Management Board (SMB). These boards have continued to meet at the usual frequency – despite Covid-19's impact – with meetings being held remotely using appropriate technology to ensure they take place.

3.4. Determining Interventions

In order to optimise the achievement of our intended outcomes the Police and Crime Commissioner and Chief Constable will ensure that there are adequate arrangements in place to deliver services which demonstrate efficiency and value for money.

Detailed resource planning is carried out annually and published within the Medium Term Financial Plan. This risk assesses resource requirements based on appropriate assumptions to enable the Police and Crime Commissioner and Chief Constable to prioritise competing demands for services.

The annual strategic and operational planning cycle takes into account the expected level of resources required and identifies where savings and reductions are required. This is also informed by the Priority Resource Planning process, which was introduced in 2019-2020 (for the 2020-2021 budget) as an enabler for informed decisionmaking. The resources, savings and growth are risk-assessed and achievement of all plans and work streams is monitored through the Strategic Management Board which is chaired by the Chief Constable. The impact of Covid-19 means that the approach to Strategic Planning for FY 2021-2022 needed to be adapted and so a streamlined – but equally robust – approach to strategic planning was established by the Chief Constable with a greater emphasis on business planning being introduced for each area of business. Also of note, was the need to ensure the force planning process was positioned to deal with either a single year or 3 year CSR settlement. Due to Covid-19 it was decided that the CSR20 would be a single year settlement with the expectation for a further CSR taking place in 2021.

Programme and project boards are in place, which monitor the implementation and achievement of agreed initiatives and plans. These are established to support robust decision making in order to achieve the required outcomes with programmes such as Digital Transformation and Workforce Transformation being critical to the

overall delivery of organisational strategies. Decision making is devolved where appropriate to enable flexible and responsive action and better outcomes. Accountability is measured through the governance structure and processes in place with actions and decisions clearly recorded in meetings and progressed over the course of 2020-21.

The Covid-19 pandemic necessitated the rapid adoption of agile working arrangements, and many staff and officers have been able to work from home since the lockdown began. Work to allow agile working was already in progress, and processes and governance had already been considered during the planning phase. The first lockdown, therefore, required an acceleration of the project rather than a fundamental change to our plans, with governance arrangements largely working well during the transition and this continues on an ongoing basis with constant reviews of the arrangements put in place taking place as part of the Recovery work stream which is planning to embed a greater degree of agility into the business as usual model.

3.5. Developing Leadership

The Police and Crime Commissioner and Chief Constable have defined structures and roles within the organisations to enable effective leadership. This is supported by the Manual of Governance which sets out the roles and responsibilities and is critical to enable delivery of the strategies and plans in place.

The governance arrangements have been developed in line with the Police Reform and Social Responsibility Act 2011, statutory Policing Protocol Order 2012, Home Office Financial Management Code of Practice (FMCP) and existing guidance on financial and governance matters which continue to apply. The Force Governance structures have also been scrutinised in 2019-2020 as part of the Governance review, with that work being developed further in 2020-2021.

There is an approved scheme of consent in place which formalises the functions and delegation between the Commissioner and Chief Constable. The governance structure supports the implementation of planned activities and outcomes and there is a defined meeting structure in place to ensure that planned outputs are achieved in a timely manner.

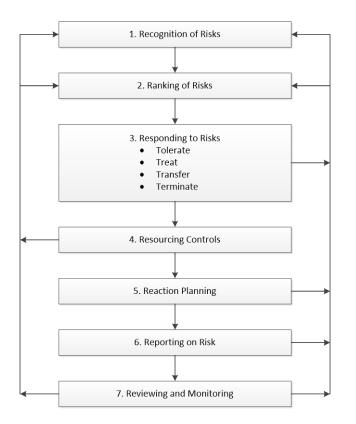
Our people are our key investment and we ensure that there are member and officer training and development programmes in place so that knowledge is kept up to date, including any professional development requirements. Our recruitment and succession planning processes are designed in order that we appoint the right people with the right skills into roles within the organisation. Focussing on our wellbeing, learning and development offer to our people remained a key area of focus during 2020-21 and the internal teams adapted their delivery models within the Force to ensure that the learning and development on offer wasn't compromised due to Covid-19.

Nationally set terms and conditions exist for officers and staff with agreed pay scales and a job evaluation system and we have a performance management framework which the Commissioner and Chief Constable use to assess performance and address any improvements required. Additionally, there is an annual self-assessment of effectiveness for the Joint Audit Committee.

3.6. Managing Risks and Monitoring Performance

Risk management and internal control is an integral part of the performance management system within both organisations. The risk management process underpins the financial management arrangements and governance processes and is fundamental to achieving our intended outcomes and supports our vision for a safer North Wales.

The below represents the 7R's and 4T's of risk management as noted in the ISO31000 and NWP risk arrangements follows this model.



There is an embedded risk management culture across the organisation and at all levels which continues to be developed and built upon. There are corporate and individual area risk registers which conform to approved national methodology and are regularly reviewed and updated and reported to committees and boards across the organisation. Risk management is a standing agenda item on all key boards across the Force. The Joint Audit Committee has continued to provide challenge and support to improve our risk management processes, with processes being developed over the course of 2019-2020 – including a Formal Risk Appetite document – and further development ongoing for 2020-2021 to included further development of our Risk Assurance Framework. The Risk Appetite document was reviewed and strengthened as part of its annual review in 2020-21.

Whilst a Pandemic risk is reflected on the Force Risk Register, Covid-19 has its own established risk register which sits beneath it, with a view to ensuring that risk in this area is being appropriately managed.

Our plans, processes and policies are drawn up having due regard to the risks identified, with our Force Management Statement including a MORILE assessment for all areas of the force. The area is overseen by the Assurance Board. A partnership framework is in place to ensure that any partnerships are managed appropriately including risk management.

Strategic risks and the risk management process are overseen and monitored by the Joint Audit Committee. Members of the Joint Audit Committee are able to review all risks for transparency. During 2020-21 a number of risk deep dives have been undertaken exerting scrutiny around key decisions and management actions being taken in relation the Force's corporate risks. The risk reports produced for the Audit Committee have also been an area of development over the course of 2020-21.

Internal Audit assesses the adequacy of our internal controls and reports fully to the independent Joint Audit Committee. Internal and external audit have examined and reported on compliance with applicable regulations and internal controls.

The Strategic Executive Board (SEB) chaired by the Police and Crime Commissioner and Strategic Management Board chaired by the Chief Constable scrutinise operational and financial performance, service delivery and the achievement of the police and crime objectives. A programmed approach to delivery of plans is in place via the Strategic Management Board. Joint Audit Committee and Police and Crime Panel papers and minutes are available through the website of the Police and Crime Commissioner.

Effective arrangements are in place to ensure that data is safeguarded and appropriately collected, used, stored and shared. All data is subject to agreed retention policies and the security classification scheme in operation throughout the force. There is an established Information Security Board in place to monitor arrangements and effectiveness including ensuring that Strategy, Policy and Process are all clearly defined and any issues of compliance are appropriately reported. Any significant issues of compliance are escalated upwards, initially to the Strategic Finance & Resources board.

The Commissioner and Chief Constable have data protection and information security policies in place which are regularly tested and supported with a training programme for all staff. Our Internal Audit function and HMICFRS provide further periodic scrutiny in this area.

There are information sharing protocols between the Commissioner and Chief Constable and also with our partners.

3.7. Demonstrating Effective Accountability

The Police and Crime Commissioner and Chief Constable ensure that decision-makers involved in service delivery are accountable to them through the processes in place in both organisations. The Governance framework and the associated internal control framework provide a robust mechanism for retaining oversight of the key decisions being made. During 2020-21 the Force budget guidance document and associated financial delegations documentation has been updated and developed with a view to ensuring that the documents issued, match up to the Force's changing environment and demands.

Standardised reporting templates are used to ensure that information is presented in an efficient but sufficient manner and to enable effective decision making and an annual report is prepared and published which assesses the performance against the Police and Crime Plan.

The Police and Crime Commissioner's and Chief Constable's websites publish information which is pertinent to the public and stakeholders, ensuring the transparency needed for external accountability to be effective, is in place. The internal audit service reports to the Joint Audit Committee and has direct access to the Police and Crime Commissioner, Chief Constable and members. Recommendation for service improvements are acted upon and reported to the committee.

Independent and external reviews and inspections are routinely carried out by regulatory bodies and the reports are published and any recommendations made are acted upon.

4. Review of Effectiveness

- 4.1. The Police and Crime Commissioner and the Chief Constable have responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including the system of internal control. The review of effectiveness is informed by the work of the executive managers who have responsibility for the development and maintenance of the governance environment, the head of internal audit's annual report and also by comments made by the external auditors, the Police and Crime Panel, Joint Audit Committee and other review agencies and inspectorates. The review of Governance in 2019-2020 has led to a number of recommendations, the implementation of which was reported as complete in August 2021.
- 4.2. Covid-19 has unquestionably impacted on the Governance arrangements of the Force, but not in a way that has been detrimental to its robustness during 2020-21. This demonstrated the need to change and adapt the governance structures to ensure that they continued to match up to the organisational requirements. Technology has been embraced to ensure that internal governance has continued to operate effectively across both Corporation sole organisations. Furthermore, with the exception of HMICFRS inspections the fundamental independent scrutiny forums of the Joint Audit Committee; the Police & Crime Panel; the Ethics Committee; the

Internal Audit Programme and External Audit, have all been able to exert appropriate scrutiny, albeit, sometimes via a different delivery model.

- 4.3. In accordance with regulations, the Police and Crime Commissioner and Chief Constable have reviewed the effectiveness of its internal audit service. In conclusion, the service has complied fully with all public sector internal auditing standards (PSIAS).
- 4.4 As part of our governance framework and to ensure that we review our arrangements for effectiveness, we established a Joint Governance Board, charged with monitoring the arrangements for compliance and to make recommendations for the development of the governance arrangements as may be required. The remit of reviewing the efficiency & effectiveness of the Governance framework is ongoing but the full objectives of the Joint Governance Board are listed below:
 - To ensure a continual review the adequacy and appropriateness of the governance arrangements ensuring that they operate Efficiently and Effectively.
 - To oversee the production, management and review (as necessary) of the high-level corporate governance documents of the Office of the Police and Crime Commissioner and Force, specifically the Manual of Governance and its constituent parts.
 - To co-ordinate, oversee and review (as necessary) the corporate governance structures of the Office of the Police and Crime Commissioner and Force and their associated processes and procedures.
 - To review all recommendations relating to corporate governance arising from internal and external audits and inspections and consider their implications for the corporate governance arrangements of the Office of the Police and Crime Commissioner and Force.
 - To review any Client Briefing Notes issued by the Internal Auditor and consider their implications for the corporate governance arrangements of the Office of the Police and Crime Commissioner and Force.
 - To oversee and co-ordinate the preparation of the Annual Governance Statements of the Police & Commissioner and Chief Constable.

To make any recommendations to the Police & Crime Commissioner and Chief Constable on any matter relating to the corporate governance arrangements of the Office of the Police and Crime Commissioner and Force where action or improvement is required.

- 4.5 During 2020-21, the organisations have progressed the action plan identified as part of the last AGS. A full analysis of the position against these actions is included in section 5 below, but the progress made has strengthened the Governance arrangements in place further.
- 4.5 Internal Audit carried out their annual service review of our key financial systems in 2020-2021 and provided generally positive reports during the year as listed below:

System	Assurance Level
Collaborative Risk Management – Mitigating Controls	Reasonable
Collaborative Budgetary Control	Substantial
Collaborative Project Review - Office 365	Reasonable
Collaborative Vetting of Contractors	Substantial
Creditors	Substantial
General Ledger	Substantial
Payroll	Substantial
Pensions	Substantial
Treasury Management	Substantial
Expenses & Additional Payments	Reasonable
Anti-Fraud Procurement	Substantial
HR/Workforce Management - Organisational Development	Substantial
ICT - Data Assurance	Substantial
Procurement - Strategic Lead	Substantial
Command Unit - Eastern Area	Reasonable
Property Subject to Charge	Limited
Fleet - Fuel	Reasonable
Fleet - Repairs	Reasonable
OHU Review	Advisory
Collaborative Governance - Yr 1 Strategic Resource Planning	
ICT - Infrastructure Review	

Internal Audits delivered FY2020-21

The annual report concluded:

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.

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 North Wales and the Chief Constable North Wales Police from its various sources of assurance.(to be confirmed in Internal Audit Annual Report verbal assurance given at time of signing accounts)

4.7 The Wales Audit Office annual audit letter for 2019-2020 gave an unqualified opinion on the accounts for the Police and Crime Commissioner and the Chief Constable and recorded that they had not identified any significant weaknesses in the overall framework. It also concluded that the Police and Crime Commissioner and Chief Constable had appropriate arrangements in place to secure economy, efficiency and effectiveness in the use of their resources.

5. Governance Action Plan and Progress

5.1. In assessing the governance arrangements that are in place, the Governance Board will also develop and monitor any action plans to address any governance issues identified or where improvement to current arrangements is required. The areas to be covered in the 2021-2022 plan can be seen in the Appendix below.

5.2. The action plan for 2020-2021 contained areas for improvement. These are detailed below with their progress and current status.

Recommendation	Action	Current Status -complete Y/N?
Compliance with the CIPFA Financial Management (FM) Code	The Financial Management Code is designed to support good practice in financial management and to assist	Yes. Review completed and will
	local authorities in demonstrating financial sustainability. The first full year of compliance is 2021-2022, therefore by 31 March 2021 the aim is to review current processes against the Code and implement any required changes.	now become an annual assessment.
Governance Review	A review of governance was undertaken during 2019-2020. The recommendations of this review are to be implemented during 2020-2021. This will be monitored and assessed via the Strategic Management Board, the Strategic Executive Board and the Joint Governance Board.	Yes. Recommendations implemented with actions reported as complete in August 21 and continuous review now in place.
Assurance Framework	A pilot of an enhanced assurance framework will commence within the Finance & Resources Directorate. Subject to the outcome of the pilot a revised assurance framework will be rolled out across North Wales Police. Our Risk Appetite will be agreed and documented.	No – The Risk Assurance Pilot has been undertaken but the wider roll-out of the assurance framework is not complete. Yes – Risk Appetite has been agreed & documented.

6. Conclusion

- 6.1. No statement of internal control can provide absolute assurance against material loss; this statement is intended to provide reasonable assurance.
- 6.2. However, on the basis of the review of the sources of assurance set out in this statement, we are satisfied that the North Wales Police Chief Constable had in place satisfactory governance arrangements, including appropriate systems of internal control and risk management which facilitate the effective exercise of his functions.

Signed:

Carl Foulkes Chief Constable Seb Phillips Director of Finance & Resources of the Chief Constable

ANNUAL GOVERNANCE STATEMENT - PLAN

The review of governance has recognised that our governance arrangements are satisfactory and meet our needs. The delivery of our vision will challenge our governance arrangements and attention to a number of issues will assist in strengthening those arrangements. The following areas are to be addressed in 2021-2022:

Issue	Actions
Risk Assurance Framework Development	Following the Finance & Resources pilot in 2019-20 the timeline for rolling out the Risk assurance framework across the Force will be established against a context of Covid- 19.
	The Risk Assurance Framework will be subsequently rolled out across the Force.
COVID-19	
The coronavirus pandemic presents a number of challenges to the Police and Crime Commissioner and Chief Constable. There is a need to maintain governance throughout this period of uncertainty, in a way which does not impede the Force's response to the situation and does not put officers, staff or the public at unnecessary risk. The Police and Crime Commissioner has published a <u>Covid-19 Response Plan</u>	Ensure that the ongoing impact of Covid-19 on Governance arrangements is reviewed and assessed. Ensure that the Strategic Recovery Board is embedded as a means of providing robust oversight of the organisation's Recovery and Planning process. Embed the Strategic Recovery & Planning Board.
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Governance: Efficiency & Effectiveness The Joint Governance Board has identified the need to formally review the Efficiency and Effectiveness of the new governance structure.	Undertake a review of the Efficiency and Effectiveness of the new governance structure, reporting findings to the Joint Governance Board

to the Chief Constable for North Wales

Opinion on financial statements

I have audited the financial statements of:

- Chief Constable of North Wales Police; and
- North Wales Police Pension Fund

for the year ended 31 March 2021 under the Public Audit (Wales) Act 2004.

The Chief Constable for North Wales Police financial statements comprise the Comprehensive Income and Expenditure Statement, the Balance Sheet and the related notes, including a summary of significant accounting policies.

North Wales Police Pension Fund's financial statements comprise the Fund Account and the Net Assets Statement.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020-21.

In my opinion the financial statements:

- give a true and fair view of the financial position of Chief Constable of North Wales Police and the North Wales Police Pension Fund as at 31 March 2021 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020-21.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Chief Constable for North Wales Police and the North Wales Police Pension Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Chief Constable for North Wales Police or the North Wales Police Pension Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020-21; and
- The information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Chief Constable of North Wales Police and the North Wales Police Pension Fund and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the joint Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts the responsible financial officer is responsible for the preparation of the statement of accounts, including the North Wales Police Pension Fund 's financial statements, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the Chief Constable of North Wales Police and the North Wales Police Pension Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the Chief Constable of North Wales Police and the North Wales Police Pension Fund policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following area: management override; and
- obtaining an understanding of the Chief Constable of North Wales Police's framework of authority as well as other legal and regulatory frameworks that the Chief Constable of North Wales Police operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Chief Constable of North Wales Police.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Joint Audit Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Chief Constable of North Wales Police and the North Wales Police Pension Fund's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Chief Constable of North Wales Police and the North Wales Police Pension Fund in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Adrian Crompton Auditor General for Wales 24 Cathedral Road Cardiff CF11 9LJ

The maintenance and integrity of the Chief Constable for North Wales Police website is their responsibility; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.