

**HEDDLU
GOGLEDD CYMRU
NORTH WALES
POLICE**

JOINT AUDIT COMMITTEE

9.30am – 10 October 2022
Face-to-Face & Online by Microsoft Teams

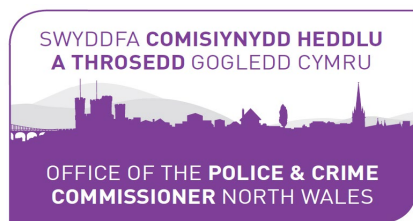
DRAFT AGENDA

Attendees:

JOINT AUDIT COMMITTEE:	
Rachel Barber - Chair John Cunliffe Allan Rainford	Julie Perkins Sarah Davies
FORCE OFFICERS:	
Seb Phillips – Director of Finance & Resources Guto Edwards - Head of Finance Helen Williams - Financial Control Accountant Anne Matthews – Finance & Budgets Officer	T/Chief Superintendent Helen Corcoran – Corporate Services James Sutton – Head of Business Intelligence/Chair of Assurance Board
OFFICE OF THE POLICE AND CRIME COMMISSIONER:	
Stephen Hughes – Chief Executive Officer Kate Jackson – Chief Finance Officer	Angharad Jones – PA to the Chief Executive
OTHER ATTENDEES	
Helen Cargill, TIAA	Michelle Phoenix, Audit Wales

	Standing Items		Purpose	Page	Time
1	Apologies & Declaration of Interest	Chair			
2	Minutes of the last meeting The Chair shall propose that the minutes of the meeting held on 28 July 2022.	Chair		3-12	5 Mins
3	Actions Log	Chair		13-20	15 Mins
	Standing Items				
4	Organisational Update	Chief Executive Officer & Director Finance and Resources	Information	21-26	15 Mins

5	HMIC Update	Chief Superintendent Corporate Services	Information	27-29	10 Mins
6	Internal Audit a. Internal Audit SICA 2022/23 b. Annual Report 2021/22 c. Internal Audit Overview – Management Report	a. Internal Audit b. Internal Audit c. Director Finance & Resources / Budget Officer	Assurance	30-39 40-45 46-60	15 Mins
7	Risk Update - Risk Process Development & Current Risk Register	Head of Business Intelligence	Assurance	61-65	10 Mins
8	Work Programme for 2022/23	Director Finance and Resources and Chief Finance Officer	Decision	55-70	5 Mins
	Substantive Items				
9	ISA 260 and signing of accounts and AGS 2021/22	Director Finance and Resources and Chief Finance Officer	Information	71-104	15 Mins
10	Governance Update	Chief Finance Officer	Information	105-108	5 Mins
11	Audit Wales – Rotation of Staff	Audit Wales	Assurance	109	10 mins
12	Briefing Deep Dive - Communications Strategy – OPCC and NWP	Chief Executive and Head of Communications	Assurance	110-111	15 mins
	AOB (Advise the chair ahead of the meeting)				
	DATES OF FUTURE MEETINGS 8 December 2022 28 March 2023 27 July 2023 28 September 2023 7 December 2023				
		TOTAL			2 Hrs



**HEDDLU
GOGLEDD CYMRU
NORTH WALES
POLICE**

JOINT AUDIT COMMITTEE (Hybrid)

28 July 2022

PRESENT

JOINT AUDIT COMMITTEE:

Rachel Barber - Chair
John Cunliffe
Allan Rainford
Sarah Davies
Julie Perkins

FORCE OFFICERS:

Carl Foulkes – Chief Constable
Seb Phillips – Director of Finance & Resources
Guto Edwards - Head of Finance
Helen Williams - Financial Control Accountant
Anne Mathews - Finance and Budgets Officer
Sian Beck, Chief Superintendent, Corporate Services
Phillip Kenyon, Force Solicitor
Matthew Sherrington, Head of Change
Ian Jones – Head of ICT Infrastructure

OFFICE OF THE POLICE AND CRIME COMMISSIONER:

Andrew Dunbobbin- Police and Crime Commissioner
Stephen Hughes – Chief Executive Officer
Kate Jackson – Chief Finance Officer
Angharad Jones – PA to the Chief Executive

OTHER ATTENDEES

Elan Parry, TIAA
Michelle Phoenix, Audit Wales

1. APOLOGIES AND DECLARATIONS OF INTEREST

Apologies: James Sutton – Head of Business Intelligence, Helen Cargill, TIAA

Declarations of interest.

John Cunliffe – Board member of the local Health Board (Betsi Cadwaladr University Health Board)
Kate Jackson – relative working for Audit Wales

2. MINUTES AND ACTION LOG

The minutes of the meeting held on 28 March 2022 were agreed as a true record of the meeting.

3. ACTION LOG

Action Log was updated and will be circulated with the minutes. Actions recommended closed and agreed closed were: 1, 4, 10, 12, 2, 3, 4, 5, 6, 9.

Item 4 - agreed to close, however it was agreed that IT to have it's own separate agenda item, likely in the closed session and Director of Finance and Resources to reference within his organisational update to Joint Audit Committee.

4. ORGANISATION UPDATE

The Joint Audit Committee noted the report from the Office of the Police and Crime Commissioner and North Wales Police which provided an update on the work undertaken since the last Joint Audit Committee meeting in March.

Office of the Police and Crime Commissioner

Joint Audit Committee noted the update provided by the Chief Executive Officer on matters of note within the Office of the Police and Crime Commissioner.

Chief Executive Officer reported that the Chief Constable will soon be retiring and that the recruitment process to find his successor is well underway with interviews being held next week. Internal/external panels will be held as well as formal interviews and that the Commissioner is hoping to announce his preferred candidate by the end of the week.

It is hoped that the preferred candidate will be ratified by the Police and Crime Panel during September, but the Panel has yet to be announced as members need to be ratified by the Home Secretary.

The Chief Executive thanked the Chief Constable on behalf of the Police and Crime Commissioner and all his staff for his support and hard work over the last 4 years.

A further £1.5m Safer Streets Funding has been secured for three different areas across North Wales. This money will go towards helping prevent crime in areas experiencing higher levels of crime in England and Wales.

North Wales Police

The Chief Constable and Director of Finance and Resources updated the Committee on issues and events affecting the organisation since the last meeting.

The Chief Constable thanked the Joint Audit Committee for all their help and guidance over the last few years and in particular the difference seen within the Risk Framework, Governance and IT. The Chief Constable expressed how grateful he is for the support given but also the challenges offered which has ensured that North Wales Police are adding value in the correct places and ensuring best value for money.

It was noted that difficulties remain within IT but progress is being made to ensure that the systems used are as good as they can be.

It was reported that an Austerity / Cost of living Gold Group is being set-up to help officers/staff during these hard times. The Force is thinking of ways to help. Inflationary pressure is impacting the whole sector with the increasing cost of electricity, fuel etc. North Wales Police have a strong balance sheet but need to consider and review carefully going forward.

HMICFRS undertook their PEEL Inspection during June and likely to receive report of findings during October.

It was noted that public confidence in the police is dropping across England and Wales and that North Wales Police need to look on how they can improve their public confidence and try working to ensure that confidence will be at over 90%.

Joint Audit member asked if there was a risk that confidence has also been impacted because of issues within Greater Manchester Police as not far from North Wales Police.

The Chief Constable acknowledged that the only news seen on social media and the press is negative and does not consider all the good work that it being undertaken across the whole of England and Wales. With the move of main-stream media out of London and to Manchester the emphasis is moving onto Greater Manchester Police but believes that there is more that North Wales Police could be doing to improve confidence in the Force.

It was also noted that confidence has decreased across the whole public sector and not just policing and would be interesting to see engagement and communication link when Joint Audit Committee receive their deep dive briefing.

5. HMICFRS UPDATE

Joint Audit Committee noted the update provided within the paper.

It was noted that it had been a busy period for officers and that the PEEL inspection had been undertaken with final report expected in mid-October.

Custody report has not been published and improvement plan being finalised. HMICFRS have confirmed that they will re-inspect custody with particular emphasis on areas of concern.

6. INTERNAL AUDIT

a. INTERNAL AUDIT SICA 2022-23

Joint Audit Committee noted the update provided within the paper which provides an update on progress against the 2022-23 Annual Plan. No concerns were reported and work is progressing well against the approved annual plan.

Joint Audit members asked for assurance that all planned audits will be undertaken. Internal audit noted that further auditors had been recruited for Wales and see no issues in completing planned audits.

It was also noted that the drivers for deferral of postponed audits were not provided within the document. It would be useful to understand why audits were deferred and any impacts of these deferrals going forward.

Internal Audit to take-away and ask that reason of why audit have been deferred are noted within the audit document going forward.

Action 1	Internal Audit to note within document why audits have been deferred.
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Joint Audit member also questioned the balance between North Wales Police specific audits and collaborative audits and asked for further clarification on how collaborative audits are decided upon and are they subjects that are important for North Wales.

Finance and Budgets Officer noted that the audit co-ordinators from across the four Welsh forces have an oversight of the audit plans for each area and can identify which audits are common across all areas and which are specific to North Wales.

Director of Finance and Resources added that collaborative audits can be useful as they enable North Wales Police to see the good and bad practices within other forces but of course as with all other collaborative working compromises sometimes must be made.

Internal Audit to share with Joint Audit Committee how collaborative audits are chosen to ensure that all are fit-for-purpose.

Action 2	Internal Audit to share with Joint Audit Committee how collaborative audits are chosen to ensure all are suitable for North Wales Police.
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It was asked how Internal Audit can ensure that reviews are fit for purpose. Internal Audit reported that [Audit Planning Memorandum \(APMs\)](#) are produced alongside specialist auditors.

Joint Audit Committee asked to see the APM's produced for the cyber security audit. Internal Audit reported that they will discuss and send to Joint Audit Committee.

Action 3	Internal Audit to share APM's on the Cyber security audit with Joint Audit Committee.
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b. DRAFT INTERNAL AUDIT ANNUAL PLAN 2022-23

Joint Audit Committee noted the Internal Audit Plan and approved the draft report.

c. INTERNAL AUDIT OVERVIEW – MANAGEMENT REPORT & ICT FIXED ASSETS AUDIT DISCUSSION

Joint Audit Committee noted the paper which provides an overview of internal controls activity within North Wales Police.

Head of ICT Infrastructure updated the Committee on the work which has been undertaken to implement any actions needed to mitigate against the risks identified in the Internal Audit Report on ICT Fixed Assets.

Most actions were connected to how North Wales Police dealt with individuals leaving the organisation and can confirm that steps are now in place to ensure that hardware is returned and systems access removed at the appropriate times.

Joint Audit members noted that it was disappointing to see such basic processes not being undertaken and raised concern that the organisation was unaware of who within the organisation had been issued with specific assets.

Head of ICT infrastructure noted comments but stated that the number of ICT staff is now increasing which will help to identify any issues and resolve issues raised in a much timelier manner.

Joint Audit Committee asked that Assets Review be added to the Joint Audit Committee work programme in six to twelve months' time.

Action 4	Chief Finance Officer to include Assets Review on the future Joint Audit Committee work programme (6-12 months' time).
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Director Finance and Resources noted that that Fixed Assets was also on the Internal Audit work programme and reported that he felt much more assured but that fundamental issues still exist which are being worked through.

7. RISK UPDATE

Joint Audit Committee noted the update provided within the Risk Update paper as at 1 July 2022.

Joint Audit member stated that if contact needed within BCUHB he would be happy to help make contact with the appropriate officer within the board.

Chief Superintendent Corporate Services noted that the matter is now in hand and thanked member for his offer.

8. WORK PROGRAMME FOR 2021/22

Joint Audit Committee noted the updated work programme presented and commented on throughout the meeting.

Chief Finance Officer noted that the Joint Audit Committee Terms or Reference were closely modelled on the guidance produced by CIPFA and is expecting an update to the CIPFA document shortly. Once update is received will review the Terms of Reference to ensure that they adequately reflect the amended guidance.

It was requested that the Deep Dive subjects be further considered to establish priorities. Once provisional list of Deep Dive subjects compiled, Director of Finance and Resources to share with Joint Audit Committee members for discussion and comment.

Action 5	Director of Finance and Resources to update Deep Dive subject priorities and circulate to members for discussion and comment.
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Chair noted the need to discuss with officers whether the level of debate and discussion versus deep dive subjects is correct and whether the Committee are fulfilling their terms of reference.

Action 6	Chair to discuss with officers in an off-line meeting whether level of debate/discussion versus deep dive subjects is correct to fulfil the Committee's Terms of Reference.
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9. **FINANCE UPDATE**

a. STATEMENT OF ACCOUNTS – UPDATE

Head of Finance updated the Joint Audit Committee on the work undertaken to produce the Statement of Accounts for 2021-22. It was reported that the draft statement was produced by the end of May and that the audit commenced on 20 June. Have confidence that the beginning of October deadline will be met.

Audit Wales reported that the delay in commencing work within North Wales Police was because of a delay with work at another organisation but that they had caught-up and thanked the Finance Team for all their help and support.

Joint Audit member questioned the need to increase the asset valuation because of rising costs. It was reported that the Police are not looking at significant increases and don't think it's a risk at the current time.

Head of Finance to provide Joint Audit Committee members with an update on progress in producing the Statement of Accounts before October meeting.

Action 7	Head of Finance to provide Joint Audit Committee members with an update on progress in producing the Statement of Accounts before October meeting.
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b. CAPITAL PROGRAMME – OUTTURN AND FORWARD LOOK

Head of Finance and Director of Finance and Resources updated the Joint Audit Committee on capital projections and current position.

It was reported that paper was presented to the Deputy Chief Constable's Performance Board to ensure that money is being spent in line with plans.

It was noted that there has been an underspend over the last few years which sat at approximately 70% at the end of the last financial year. Underspend for this financial year currently sits at 15% but likely to increase. This is mainly within the Estates capital programme as new station in Holyhead will drift into next year.

The non-delivery of the command and control upgrade would also have consequences on the IT spend and work is in place to mitigate against this.

Joint Audit Member enquired whether there were any themes to the underspend identified which could be a legacy of over ambitious/cautious spending. It was reported that this might have been the case previously but working hard to ensure that realistic timelines and spending plans are now in place and have identified officers responsible for this spend.

Currently becoming harder to deliver on large projects because of supply chain issues post covid but processes in place around critical work programmes to ensure that they are progressing.

Joint Audit Member questioned the procurement of vehicles and the time needed to procure. It was asked if lessons had been learnt from these difficulties.

Head of Change reported that lessons had been learnt and processes adapted to take account of longer timelines needed for procurement not just within the vehicle context but across the board with more open dialogue with officers.

Director Finance and Resources noted that the organisation had been in a 12-month planning cycle for a long time. This has been aligned to the annual funding cycle, but is appropriate to now move to a 3-year cycle in line with the 3 year comprehensive spending review, which will provide much better planning.

Joint Audit Member requested that in future if members had concerns regarding certain projects would the individual Project Managers be able to attend a committee meeting to give members a greater understanding and context of what is happening.

Action 8	Director of Finance and Resources/Head of Change to ensure that Project Managers attend future meetings if concerns raised regarding individual projects.
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c. TREASURY MANAGEMENT – PERFORMANCE

Joint Audit Committee noted the Treasury Management summary report which highlights the activities undertaken during 2021-22, any limit or indicator breaches and the investment of surplus cash and borrowing requirements.

Head Finance reported that currently the organisation has higher balances than usual and will be looking at best places to invest. There will also be no need to borrow money over the next few years.

Joint Audit member questioned the organisations borrowing strategy and what would be the trigger point to borrow.

Head of Finance stated that the organisation follows guidance produced by Arlingclose and will share the document for information with member.

Action 9	Head of Finance to share Arlingclose guidance with Joint Audit Member
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Joint Audit Members asked that bullet points be provided at the start of the summary document to summarise the main points in future years as very technical paper.

10. **WALES AUDIT ENQUIRIES**

Joint Audit committee noted the Audit Enquiries paper presented.

It was noted that this paper explains how the Auditor General for Wales is responsible for obtaining reasonable assurance that the financial statements taken as whole are free from material misstatement, whether caused by fraud or error.

It was noted that there was an instance when a contract was placed which had not followed process. Advice sent to all on the procurement process and who within the organisation can provide expert advice.

Joint Audit Committee asked for further information as to why procurement process was not followed in this instance and actions taken to ensure this would not happen in future.

Action 10	Director of Finance and Resources to share report of why procurement process was not followed with Joint Audit Committee.
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11. **JAC ANNUAL REPORT & EVALUATION**

The JAC Annual Review/Annual Report for 2020/21 was presented as read.

Chair to circulate the evaluation report recently received by officers to all Joint Audit Committee members for information and confirm within the next week or two.

Action 11	Chair to share evaluation report received from officers with members for information and confirm within the next two weeks.
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12. **GOVERNANCE UPDATE – INCLUDING DRAFT ANNUAL GOVERNANCE STATEMENT**

Joint Audit Committee noted the work undertaken by the Joint Governance Board and the input provided by the Assurance Board.

Joint Audit member questioned whether the governance structure is over complex and whether the structure is being looked at to see if what we have is fit for purpose.

Director of Finance and Resources noted that the governance structure was reviewed two years ago and Chief Superintendent Corporate Services noted that a further large-scale review has been conducted and will be presented to the Senior Leadership Team at the beginning of August.

Chief Superintendent Corporate Services to share report with Joint Audit members once approved by the Senior Leadership Team.

Action 12	Chief Superintendent Corporate Services to share review of governance structure with Joint Audit Committee members once approved by the Senior Leadership Team.
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13. **FORCE RISK MANAGEMENT AND ASSURANCE MAPPING FRAMEWORK**

Joint Audit Committee noted the report which provides an update on the Force Risk Appetite for 2022/23 following the annual review by officers.

Joint Audit members questioned why there were five risk levels but overall the appetite was Open. Member also questioned whether a risk appetite of open on reputation was right given levels of confidence.

Director of Finance and Resources stated that the Force Risk appetite document reflects the Chief Constable's vision and the desire to try and take opportunities rather than managing the risk away. A new strand has been added which is innovation, but with no formal risk appetite surrounding this area the organisation agreed introducing a risk appetite for it is the right thing.

Members questioned the closing and reopening of risks and believe that the wording used is causing confusion.

Director of Finance and Resources to discuss wording used with Head of Business Intelligence.

Action 13	Director of Finance and Resources to discuss wording used when closing/re-opening risks with Head of Business Intelligence as current language used causing confusion.
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Appropriate assurance needs to be given to Joint Audit Committee when risks have been opened/closed. There is a need to strengthen and manage the scoring of risk and ensure that this is not an objective exercise.

Chair stated that Joint Audit Committee has assurance that processes are in place. It requires closer awareness on the policies and procedures currently in place and the way that North Wales Police operate and manage risks. Once members better understand this process will be better placed to share their views and opinions with officers. If the Committee receive this they will receive greater assurance that risk is well managed, they will be able to step away from repeatedly questioning officers.

Director of Finance and Resources to organise a session on how risk is managed for Joint Audit Committee members.

Action 14	Director of Finance and Resources to arrange a session for members on how risk is managed within North Wales Police.
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14. **LEGAL REPORT**

Joint Audit Committee noted the paper which provides an overview of legal activity undertaken within the Force in the last six months.

15. **FORCE MANAGEMENT STATEMENT – KEY FINDINGS**

Head of Change shared presentation with Joint Audit Committee on the Force Management Statement which is a self-assessment carried out by North Wales Police and which is a strategy requirement introduced by the HMICFRS in 2017. The report is produced annually and informs

decisions made regarding resourcing at budget setting. HMICFRS also use to inform their assessment of North Wales Police through the PEEL inspection.

Joint Audit Committee asked if North Wales Police are helping/advising officers and staff with the cost-of-living increases seen in recent times.

Director of Finance and Resources reported that there were a number of elements under consideration eg overtime, buying back of annual leave, agile/hybrid working and schemes such as sharing of vehicles to work. A Wagestream app has also been offered to all staff which helps with financial planning/advice.

Joint Audit Committee enquired whether North Wales Police had a hybrid working policy and how much emphasis there is on the workforce to come into the office.

Director of Finance and Resources explained that some roles are hybrid and these come with the expectation that you work from home more often than not but does hinge on working from where staff are most efficient and effective.

Chair thanked Head of Change for the presentation as the Force Management Statement is always a good reminder to the Joint Audit Committee of the work that North Wales Police do, and this is something that should be woven into future dialogue.

16. ANY OTHER BUSINESS

Chair asked how members and officers had found the hybrid meeting model.

All on Teams commented that the meeting had gone better than expected and had experienced no difficulties.

Future meetings will be held as hybrid meetings.

There was no other business raised.

The next Joint Audit Committee meeting will be held on 10th October 2022 at 9.30am either in person at Conference Room 1, FHQ Colwyn Bay or by Microsoft Teams.

**JOINT AUDIT COMMITTEE
ACTION LOG from 1.04.2022**

	Open
	Closed
	Deferred

New/Open actions from March 2021

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
	152	JAC Annual Review/Annual Report (draft) - Members and Officers to provide Chair Joint Audit Committee with any feedback ahead of July Joint Audit Committee meeting.	ASAP	Director of Finance and Resources	20/06/21 – DFR submitted feedback for both reports. 04/08/2021 – As no action plan around JAC evaluation - action to remain open. 06/10/2021 – DFR has produced a draft action plan which will be circulated to CFO and CX for comment. 18/11/21 – The draft action plan has been sent to CFO and CE and will be forwarded to the Joint Audit Committee Chair Rachel Barber. 08/12/2021 Pending until Joint Audit Committee review has taken place. 01/04/2022 – On agenda. 28/07/2022 – Recommendations to be shared with JAC members within two weeks. 21/09/2022 – Further feedback received from JAC members on 15/08/22. Feedback considered and incorporated to revised plan / work programme and recirculated to JAC chair for finalisation.
01/04/2022	1	Organisational Update - Chief Executive Officer to circulate Communications and Engagement Strategy to members outside of the meeting.	Before next meeting	Chief Executive Officer / Chief Finance Officer	05/05/2022 – Communication and Engagement strategy saved onto Google drive and JAC members informed. 20/05/2022 - Added to future work programme 28/07/2022 – This needs to be added to future work programme.

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
01/04/2022	7	Internal Audit - Director of Finance and Resources to consider suggestions and take into consideration when developing the APM.	Immediate	Director Finance and Resources	22.06.22 – TIAA emailed with a request for the provisional APM for onward sharing with the JAC Digital lead. 28/07/2022 – Director Finance and Resources to chase again as yet to receive. 21/09/2022 – A briefing deep dive on Comms strategy features on the Oct agenda. The Force strategy has been shared with JAC members ahead of the meeting. Recommend Action Closed.
01/04/2022	8	Risk Update - Chief Finance Officer to consider scheduling Deep Dive around the processes concerning risk into the Work Programme.	Immediate	Chief Finance Officer	DFR and CFO have been discussing this action and are liaising with Head of Business Intelligence. 21/09/2022 – Risk Management dedicated session incorporated into latest work programme. Recommend Action Closed.
01/04/2022	10	Capital Strategy - Director of Finance and Resources & Chief Finance Officer to highlight questions raised by members with Commissioner and use minutes of meeting as basis for this discussion.	Immediate	Director of Finance & Resources / Chief Finance Officer	05/04/2022 – Draft minutes shared with PCC to support decision. 28/07/2022 – Discussed regularly in Chief Constable forums and featured in SEB yesterday. Director Finance and Resources to feed back to JAC. 21/09/2022 – DFR to incorporate commentary on JAC key issues to future SMB and SEB Strategic Finance & Resources reports. Recommend Action Closed.
01/04/2022	11	Governance Update - Director of Finance and Resources to consider whether consideration to partnership working needs to be strengthened within the Annual Governance Statement and benchmark against document against other forces.	Immediate	Director Finance & Resources	22.06.22 – AGS collaboration content reviewed. Final version of AGS to incorporate latest position regarding All Wales and West Coast Collaboration reviews. 28/07/2022 – Following Technical Briefing all items have been listed and logged with individuals to progress. Need to amend in Statement of Accounts. Ongoing. 21/09/2022 – Commentary considered and additional comments added to AGS. Suggest Action Closed.
01/04/2022	12	Governance Update - Chief Finance Officer to consider a Deep Dive on the	Immediate	Chief Finance Officer	CFO and DFR discussing. 28/07/2022 – will be discussed at future JAC meeting. 21/09/22 – Features on Oct JAC agenda.

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		Communications Strategy at the July Joint Audit Committee meeting.			Recommend Action Closed
01/04/2022	13	Wales Audit – audit plan - Audit Wales to ascertain how often Audit Managers roles are rotated and report back to Joint Audit Committee.	Ahead of July meeting	Wales Audit	Wales Audit stated that maximum term of 7 years but that they would not rotate all staff at the same time. Staff will remain as is for forceable future. Wales Audit to present Rotation Policy to JAC meeting in October.
28/07/2022	1	Internal Audit – Internal Audit to note within document why audits have been deferred	Immediate	Internal Audit	20/09/22 - This information was detailed in the March 2022 SICA as audits referred to relate to 2021/2022 audit plan; DFR has updated the AGS, agreed in JGB. Recommend Action Closed.
28/07/2022	2	Internal Audit – Internal Audit to share with Joint Audit Committee how collaborative audits are chosen to ensure all are suitable for North Wales Police	Ahead of October meeting	Internal Audit	01/08/2022 - The risks were selected in discussion with the North Wales Police Risk and Business Continuity Lead. A shortlist was drawn up and the two risks were chosen as these were seen as common with the other Forces. As part of the review, the auditor also looks at the process end-to-end, not just at the given risks. So if there were any matters to note, for example in the way the other risks are documented, they would be identified. The auditor has also looked back at the review from last year, and from the year before, and tracked the journey since the current Risk and Business Continuity Lead came on board.
28/07/2022	3	Internal Audit - Internal Audit to share APM's on the Cyber security audit with Joint Audit Committee	As soon as possible	Internal Audit	07/09/2022 – Cyber security APM received and shared with JAC digital lead. Recommend Action Closed.
28/07/2022	4	Internal Audit – ICT Fixed Assets Audit - Chief Finance Officer to include Assets Review on future Joint Audit Committee work programme (6-12 months)	Immediate	Chief Finance Officer	21/09/2022 – ICT Fixed Assets features in the TIAA work programme in terms of a Follow Up Audit on the initial audit undertaken and a dedicated Collaborative audit included for 2022/23. The findings from these audits should prompt whether further incorporation to the work programme is required. Recommend Action Closed.
28/07/2022	5	Work Programme - Director of Finance and Resources to update Deep Dive subject priorities and circulate to members for discussion and comment.	Immediate	Director of Finance and Resources	16/09/2022 – DFR reviewed work programme and has shared working paper and proposed programme for Oct meeting with JAC Chair and JAC risk lead. Recommend action closed.

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
28/07/2022	6	Work Programme - Chair to discuss with officers in an off-line meeting whether level of debate/discussion versus deep dive subjects is correct to fulfil the Committee's Terms of Reference.	Ahead of next meeting	Chair Joint Audit Committee	
28/07/2022	7	Statement of Accounts - Head of Finance to provide Joint Audit Committee members with an update on progress in producing the Statement of Accounts before October meeting.	Ahead of next meeting	Head of Finance	21/09/2022 – DFR circulated action log from technical meeting to JAC lead member and JAC chair outlining how actions from the technical briefing session had been incorporated to the final accounts. Head of Finance to add further comment as required. Recommend Action Closed.
28/07/2022	8	Capital Programme - Director of Finance and Resources/Head of Change to ensure that Project Managers attend future meetings if concerns raised regarding individual projects.	Ongoing	Director Finance and Resources/Head of Change	21/09/2022 – DFR has outlined need for PMs to attend to Head of Change, Head of Technology & Head of Facilities and Fleet. Expectation is that the need to attend stems from JAC review of Capital strategy and subsequent updates. Recommend Action Closed.
28/07/2022	9	Treasury Management – Performance - Head of Finance to share Arlingclose guidance with Joint Audit Member	Immediate	Head of Finance	06/09/2022 – Head of Finance shared information with Joint Audit Member.
28/07/2022	10	Wales Audit Enquiries - Director of Finance and Resources to share report of why procurement process was not followed with Joint Audit Committee.	Immediate	Director of Finance and Resources	29/07/2022 – DFR / Chief Exec agreed for paper to be shared with JAC members. Suggest Action Closed
28/07/2022	11	JAC Annual Report and Evaluation - Chair to share evaluation report received from officers with members for information and confirm within the next two weeks.	Immediate	Chair of Joint Audit Committee	15/09/22 – JAC provided comments on the action plan.
28/07/2022	12	Governance Update - Chief Superintendent Corporate Services to share review of governance structure with Joint Audit Committee members once approved by the Senior Leadership Team.	Once approved by SLT	Chief Superintendent Corporate Services	12/09/22 Annual Review of North Wales Polices' Governance Arrangements shared with JAC members (Google drive). Recommend action closed.
28/07/2022	13	Force Risk Management and Assurance Mapping Framework - Director of Finance and Resources to discuss wording used	Ahead of next meeting	Director of Finance and Resources	21/09/22 – Use of terminology of closing / re-opening risks discussed with Risk leads in monthly Governance T&F group meeting. Approach is being considered

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		when closing/re-opening risks with Head of Business Intelligence as current language used causing confusion.			further with a view to discussing further at the next meeting and picking up at the dedicated Risk Management Session. Recommend Action Closed
28/07/2022	14	Force Risk Management and Assurance Mapping Framework - Director of Finance and Resources to arrange a session for members on how risk is managed within North Wales Police.	As soon as possible	Director of Finance and Resources	21/09/22 – Incorporated to Work programme and dedicated session being arranged.

Closed actions since last meeting – Archived April 2022 – previously closed available on request

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
08/12/2021	2	Organisation Update - Chief Executive Officer to include provide further update on the governance structure of the commissioning service at future Joint Audit Committee meeting.	28/07/2022	Chief Executive Officer	16.03.2022 - A paper has been prepared using the Safer Streets funding as an example to give assurance to the JAC members on the governance in place when external funding is secured. Circulated 16.03.2022. Recommend action closed. 01.04.2022 Chief Finance Officer to schedule Deep Dive of governance of commissioning services into the work programme
08/12/2021	3	Organisation Update - Director of Finance and Resources to provide further feedback on activities being undertaken to ensure difficult to fill roles are successfully recruited.	28/03/2022	Director of Finance and Resources	04/04/2022 - The Head of POD has set up a weekly working group focussed on tackling the 'hard to fill' posts. There are a range of posts being considered currently spanning ICT, Data, Procurement and others. The latest weekly update has been shared with JAC members via the google shared drive. 01.04.2022 – Members unable to read as briefing. Save onto Google Drive in different format. 04.04.2022 – This document has now been saved onto the Google Drive in Word format. Recommend action closed.
08/12/2021	1	Minutes – Chief Finance Officer to contact counterpart in South Wales OPCC to discuss involvement of JAC members in the Internal Audit Procurement process	10/01/2022	Chief Finance Officer	Chief Finance Officer has forwarded details of two North Wales JAC members to Chief Finance Officer in South Wales Police. JAC member met with all Wales colleagues. Recommended action closed.
08/12/2021	4	Organisation Update - Director of Finance and Resources to provide Joint Audit members with regular updates against the major milestones within the NEP programme roll-out.	Ongoing	Director of Finance and Resources	15/02/2022: PM and Programme Manager have provided a list of milestones and current status on progress. Further updates on progress can be provided on a quarterly basis as required. The milestones have been shared with all JAC members. Update included in Organisational report. 01.04.2022 – To be placed as a standing item on JAC agenda and monthly off-line meeting with JAC member to help reassure and feed into work programme. 22.06.2022 – Regular monthly meetings taking place to review progress on the digital programme between Head of Change &

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
					Collaboration, Head of Technology and JAC lead. Further updates to feature on the JAC agenda as required. Recommend Action Closed
08/12/2021	10	Work Programme for 2021/22 - Joint Audit Committee to inform Chief Finance Officer of date preferences for the All-Wales Joint Audit Committee event.	10/01/2022	Chief Finance Officer	13/12/2021 - E-mail sent to JAC members asking that they respond with any unsuitable dates. 01.04.2022 – Hope to get two dates in the diary, one for formal training and one informal get together. Will canvas for dates as soon as possible. 01.04.2022 – possible dates circulated 05.04.2022 – availability shared with South Wales PCC office who are arranging event. Event organised for 7 June. Recommended action closed.
08/12/2021	12	Capital Programme - Director of Finance and Resources to share Capital Programme Progress Update presentation with members.	23/12/2021	Director of Finance and Resources	09/12/2021 – Presentation placed on Google Drive for members information. 01.04.2022 Item to be added into work programme. Recommended action closed
01/04/2022	2	Organisational Update - Director of Finance and Resources to update Joint Audit Committee on how vulnerability and risk of power outages will be mitigated against in the future.	July Meeting	Director Finance and Resources	On closed session agenda. Recommended action closed
01/04/2022	3	Organisational Update - Director of Finance and Resources to identify officer who could fully briefing Joint Audit Committee on issues driving increase in demand and what long term risks this poses.	Ahead of July meeting	Director Finance and Resources	20/05/2022 – Will discuss before the accounts informal meeting or within the FMS agenda item. ACC/officer to attend. 29/6/22 – Head of LPS lined up to attend July closed session to provide briefing. Recommend action closed.
01/04/2022	4	Organisational Update - Chief Finance Officer to include a sustainability update on the future work programme.	Ahead of July Meeting	Chief Finance Officer	05/04/2022 – Discussed with Chair. Recommend action closed
01/04/2022	5	Organisational Update - Director of Finance and Resources to provide Joint Audit Committee with update	Ahead of July meeting	Director Finance and Resources	Added to work programme. Recommend action closed

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		on agile-working roll-out and how this work has progressed.			
01/04/2022	6	HMICFRS Update - Director of Finance and Resources to ask Superintendent Corporate Services to provide further clarification as to where the Force Scrutiny Board review is reported.	Ahead of July meeting	Director Finance and Resources	19/05/22 - HMIC recommendations are scrutinised at the Strategic Planning and Organisational Learning Board which Super Corporate Services Chairs and is attended by leads from areas in relevant business areas. This board is included in the Governance review which is currently being finalised by Sian Jones. There is a mixture of recommendations arising out of Inspections of other forces/thematic Inspections and recommendations arising out of NWP specific inspections. A highlight report goes to the force performance meeting chaired by DCC. Recommend action closed.
01/04/2022	9	Work programme 2022/23 - Chief Finance Officer to share updated/revised work programme with Joint Audit Members.	Immediate	Chief Finance Officer	05/04/2022 – Prepared and shared with Chair. Recommend action closed.

Abbreviation Key	
CC	Chief Constable
CEO	Chief Executive Officer (OPCC)
CFO	Chief Finance Officer (OPCC)
DFR	Director of Finance and Resources (NWP)
HMICFRS	Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services
JAC	Joint Audit Committee
NWP	North Wales Police
OPCC	Office of the Police and Crime Commissioner
PA	Personal Assistant to CEO and CFO
PCC	Police and Crime Commissioner
PSD	Professional Standards Department (NWP)
TIAA	Internal Audit
WAO	Wales Audit Office

Joint Audit Committee

Meeting Date: 10th October 2022

Title:	OPCC Organisational Update
Author:	Stephen Hughes
Purpose of the report:	
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> • Amanda Blakeman selected as PCC preferred candidate to be the next Chief Constable <ul style="list-style-type: none"> • North Wales Women in Justice Strategy launched • £1.5m funding received from Safer Street 4 • Vulnerability and Exploitation Conference
Recommendations:	None
Risk register impact:	None
Assurance implications:	None
Equality Impact:	None
Information exempt from disclosure:	None

	<p>Joint Audit Committee 10th October 2022</p> <p>OPCC Organisational Update</p>
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Updates

The previous meeting of the Joint Audit Committee (JAC) was held on 28th July 2022. This report will provide an update to the JAC on OPCC matters of note since then.

North Wales Police Chief Constable

Following a rigorous, open and transparent recruitment process the PCC was delighted to announce Amanda Blakeman as his preferred candidate to be the next Chief Constable of North Wales Police. Subject to the approval of the North Wales Police and Crime Panel (confirmation hearing to be held 26th September) Amanda will be the first female Chief Constable in the history of North Wales Police.

The PCC and I very much look forward to working with Amanda to deliver the best possible police service for the communities of North Wales.

North Wales Women's Justice Strategy

When elected the PCC made a pledge to introduce a North Wales Female Offender Strategy (now referred to as the Women's Justice Strategy). The new strategy was launched on 6th September. The strategy aims to help address the causes of female offending in North Wales and to make a genuine difference to women's lives, reduce their involvement with the criminal justice system, and cut crime.

Building on the foundations of the Women's Justice Blueprint for Wales and the work of existing organisations and partners across the region, the North Wales Women's Justice Strategy has been designed by the North Wales Women in Justice Delivery Group in line with the PCC's pledge to deliver better support and outcomes for women in their experience of the criminal justice system.

Safer Streets Funding

We were delighted to once again be successful in securing funding through the Home Office Safer Streets fund. £1.5m funding from the fourth round of the Safer Streets initiative will go towards supporting projects in Holyhead, Wrexham and Deeside.

The Holyhead Town project on Anglesey will see £692,149 go towards projects such as improving street lighting in around the town centre and the installation of new and upgraded lighting. It will also see the installation of 21 CCTV cameras; the provision of target hardening and crime prevention packs for 250 properties to help prevent

neighbourhood crime; and the provision of high visibility police patrols to help tackle and prevent VAWG offences and ASB as part of night-time economy.

In Flintshire, the successful bid targets the Shotton and Queensferry areas and amounts to £385,125. The funding will be used for projects including the installation of re-deployable cameras; street lighting and landscape improvements to help improve natural surveillance. The funding will also target areas that have been the focus of increased acquisitive crime and anti-social behaviour. There will also be provision for community development work, with a specific focus around young people.

Wrexham is set to benefit from funding of £491,644, which will go towards a number of projects around North Wales’ newest city. Funding will enable the Safe Space Hub at Hafan y Dref to open on Friday nights to provide welfare and first aid to people in the night-time economy. Elsewhere in Wrexham, funding from the Safer Streets initiative will go towards school and community grants for youth ASB intervention projects; four street marshals for the night-time economy for one year; the provision of a pop-up police station at Eagles Meadow and a number of Safer Streets Respect days will help target and raise awareness to prevent ASB and VAWG. The funding will also provide visible police patrols to help tackle and prevent violence against women and girls offences and ASB on Friday and Saturday nights.

Vulnerability & Exploitation Conference

We recognise how important it is that different partners come together to challenge violence against women, domestic abuse, sexual violence, modern slavery, and human trafficking and exploitation. With this in mind, we are organising the first conference on the multiagency response to domestic violence and modern-day slavery in North Wales to look at what is being done, and what can be further done, to tackle these crucial matters across our region. This all-day event will take place centrally in North Wales on November 23, just two days before White Ribbon Day. The North Wales Vulnerability and Exploitation Board has published a strategy up to 2024 that aims to ensure that the people of our region can live safe, equal, and violence-free lives, in communities without abuse or exploitation. This will help draw out some of the themes of the conference.

ITV Wales presenter Ruth Dodsworth and Domestic Abuse Commissioner for England and Wales, Nicole Jacobs have been confirmed as keynote speakers.

Report Author:	Stephen Hughes, Chief Executive
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Joint Audit Committee

Meeting Date: 10th October 2022

Title:	Organisational Update – North Wales Police
Author:	Seb Phillips, Director of Finance & Resources
Purpose of the report:	To provide the Joint Audit Committee with an overview of key organisational events and issues taking place since the last JAC meeting.
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
Summary / Key Points:	<p>This report provides a high-level Organisational Update for North Wales Police highlighting key issues and events affecting the organisation for the period from 05.07.22 to 21.09.22.</p> <p>The issues and events are analysed between the four categories of Finance; People, Learning & Innovation; Operational and Public / Community.</p> <p>The report gives brief mention to HMICFRS inspection activity undertaken over the course of the summer. This is also subject to its own agenda item at the Oct JAC meeting.</p>
Recommendations:	For members of the Joint Audit Committee to note the Director of Finance & Resources' report.
Risk Register Impact:	None.
Assurance Implications:	None.
Equality Impact:	None.
Information Exempt from Disclosure:	None - All content in Open Session

JOINT AUDIT COMMITTEE

10th October 2022

Organisational Update

Report by Director of Finance & Resources, North Wales Police

1. Introduction

This report provides a high-level Organisational Update for North Wales Police, highlighting key issues and events affecting the organisation for the period from 05.07.22 to 21.09.22.

The issues and events are analysed between the four categories of Finance; People, Learning & Innovation; Operational, and Public / Community.

2. Finance

- The 21/22 audit is nearing its conclusion with the Statement of Accounts on course for the October audit committee at the time of writing.
- Q1 financial forecasts have been produced and reported through the CC's and PCC's respective governance forums. The revenue budget showed an underspend emerging with a full year projection of £176.1m Vs a budget of 182.3m, a forecast underspend of £6.2m / 3.4%.
- The projected underspend is analysed and understood with recruitment of the force's allocated uplift officers being delayed against the fully funded planning assumption being the primary driver.
- Capital expenditure projections were also reduced against budget at the end of Q1 to a projection of £9.4m Vs a budget of £11.1m, an underspend of £1.7m / 15.6%.
- Following the Q1 reforecasts, inflationary pressure has increased in significance across a number of areas:
 - The national pay award for Police officers was announced, with the core award a £1900 fixed differential for all officers. This equates to an average increase for Police officers of circa 5% against the force's planning assumption of 3%. The additional cost pressures resulting are partially mitigated by additional funding announced alongside the pay award.
 - Renegotiation of Police staff pay awards (previously agreed at 2.1% from April22 but with a renegotiation clause) is underway with the potential implications being modelled by the force.
 - More generally CPI reached levels of 10.1% in July22 before falling back to 9.9% in Aug22 with the implications being worked through.
 - Lastly, Gas and Electricity prices have increased dramatically over recent months and from Oct22 the force will incur significant material increases in cost in this area.
- The implications of the inflationary pressures are being analysed and tracked as part of the organisational planning process. With a new Prime Minister now in post a mini-budget announcement is scheduled for 23/09/22, following which the impact of proposals for potential support on utility bills and reversal of the recent Health & Social care levy can be assessed.
- The Home Office Police Funding Formula Review continues to progress with All Wales discussions taking place and with the force compiling inputs to the process in relation to sparsity and seasonality.

3. People, Learning & Innovation

- Operation Uplift recruitment has progressed towards the Forces' 22-23 recruitment target of 82 officers. Whilst fully funded in the financial plan (and so reflecting the required funding position from 23-24 onwards) the latest projections show the target being met in Q4.

- The force is currently considering whether it needs to consider other recruitment options given the recruitment of the Uplift target headcount by 31.03.23 looks increasingly tight.
- More generally the recruitment market remains challenging although the force continues to make strong appointments on the back of the “Hard to Fill” work that continues.
- Key areas of progress in relation to business change remained focussed on a number of critical projects:
 - NEP deployment continues to progress with the onboarding roll out scheduled for completion this autumn.
 - Following earlier delays, alternative plans to mobile phone device deployment have been made with the deployment now underway.
 - The Mobile App project also continues to progress with the initial deployment planned for Q4 of this FY.
 - The Command & Control Upgrade remains challenging in terms of timeline and cost with the assessment and active management of both still ongoing.
 - The ICT TOM is continuing to progress with both the staff recruitment and procurement of market bundles remaining on track.
- Given the wider inflationary context, a ‘Cost of Living’ taskforce has been established, chaired by the ACC, which is exploring possible steps that the force could take to support its people over the coming period.

4. Operational

- With CC Carl Foulkes stepping down from the force, a reshuffle has taken place in the chief officer team to provide acting cover. T/CC Richard Debicki takes on the Chief Constable responsibilities prior to the preferred candidate of the PCC, Amanda Blakeman joining the force at the end of Oct22.
- The HMICFRS PEEL inspections were completed over the course of the summer with the official findings expected this autumn.
- The force has experienced a busy summer period operationally balancing local needs against the need to support the wider policing effort nationally including providing support at the Commonwealth Games. The wider review of operational demand continues to progress.
- The Force Performance board chaired by the DCC met during the summer with the agreed areas of focus subject to directed performance improvement plans being updated at the meeting.
- Furthermore, key performance updates from the Strategic Executive Board held in Jul22 included the planned deep dives into the priority areas below:
 - VAWG, Sexual Violence & Rape
 - Rural Crime
- Following the death of her Majesty the Queen, the force has provided significant mutual aid in support of the national policing effort with the operational resourcing implications being managed closely by the T/ACC and T/DCC.

5. Public / Community

- The previously directed work around improving public confidence and victim satisfaction remains ongoing with the DCC’s performance board being the primary governance forum providing ongoing oversight of the work.

6. Recommendations

For members of the Joint Audit Committee to note the Director of Finance & Resources’ report.

Joint Audit Committee

October 2022

Title:	HMICFRS Update
Author:	Sarah O'Hara
Purpose of the report:	Update in relation to HMICFRS Inspections
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
Summary / Key Points:	<p><u>Police effectiveness, efficiency, and legitimacy (PEEL)</u></p> <p>HMICFRS have now completed their PEEL inspection process for North Wales Police and delivered their inspection findings to Chief Officers on Tuesday 16th August. This was a very high-level overview of the findings, with the detail limited to the report which we will have sight of likely at the end of September in draft format. No gradings were given at this debrief, nor detail of recommendations or areas for improvement.</p> <p>Most of the findings for the force were as expected, with the majority of areas highlighted to be in a good position. There were however some areas which we felt a disconnect; this was in the main surrounding question 12 (Strategic planning, organisational management and value for money). The HMI has taken onboard the concerns raised by the force with regards to this question area and has since requested a review of evidence to be undertaken by the subject matter lead. The HMI will then conduct an extraordinary meeting to understand the evaluated findings to reach a conclusion regarding the grading for this question.</p> <p>Once the finalised report is received, it will be presented to JAC for view.</p> <p><u>Serious and Organised Crime (SOC) and Vetting Inspections</u></p> <p>Whilst Serious Organised Crime and Vetting/Counter Corruption have been removed from the core inspection timetable, they still form part of the PEEL process, but include the national and regional position.</p> <p>North Wales Polices' Vetting Standards will be inspected from 27th to 29th September. The inspection will include an examination of 40 vetting files from the last 3 years and interviews will be held with the Head of PSD, Head of Vetting and Vetting team. A debrief will be provided to the Head of PSD and HMIC Liaison Team upon completion.</p> <p>North Wales Police will be subject to its SOC inspection as part of the North West (TITAN) region in February/March 2023. More detail regarding the format of this inspection is yet to be received.</p>

Report on an unannounced inspection visit to police custody suites in North Wales Police

Staff from HMICFRS and HM Prisons inspected North Wales Police between 8th – 19th November 2021, with the report published in April earlier this year. The action plan for improvement has been submitted to the inspection lead for review, with all areas showing significant improvement.

HMICFRS have confirmed that they will re-inspect our custody provisions, focusing on the areas of concern to ensure the new action plan has been fully implemented and become business as usual. This is anticipated to take place in November, 12 months post inspection, but dates are yet to be confirmed.

HMICFRS Policing Inspection Programme and Framework

In April 2022, HMICFRS moved to a multi-year programme of thematic inspections in line with their strategy. For your information, they plan to inspect the following further areas over the next three years. North Wales Police will take part in some of these inspections to form the national position:

- Police work with women and girls through focusing on offenders, continuing the work already under way
- Armed policing
- Police response to the Government's Beating crime plan
- Repeat offenders
- The prevention and investigation of homicide
- The extent to which recent high-profile cases, as well as long-term concerns about race and diversity, are evidence of problems of police leadership and culture
- Recruitment and retention, including achieving and sustaining a more diverse and effective workforce and the effect of the increase in officer numbers on efficiency and effectiveness
- How forces manage increasing demand and the changing nature of demand, such as supporting people with mental ill-health
- Investigations, including examining the main causes of the long-term decline in successful prosecutions and what can be done to improve this
- Whether forces are using science and technology to maximise their effectiveness and efficiency
- Child protection and how good ways of working can be achieved in a system where the police are one of many organisations responsible for keeping children safe
- Domestic abuse and identifying the best working methods for achieving the best experience and results for victims
- Forces' understanding of their local drugs market, including supply, consumption and levels of dependency
- Forces' management of the risk associated with legal firearms possession; and
- with Homeland Security, the areas of counter terrorism needing to be inspected.

Changes to the reporting process to HMICFRS

The previous report to JAC noted that HMICFRS are changing their processes in relation to signing off recommendations. We are still waiting for further

	information from HMICFRS as to how this will work but will keep the committee sighted once known.
Recommendations:	None.
Risk register impact:	None.
Assurance implications:	None.
Equality Impact:	None.
Information exempt from disclosure:	None.



Internal Audit

FINAL

Police and Crime Commissioner North Wales and Chief Constable North Wales Police

Summary Internal Controls Assurance (SICA) Report

2022/23

September 2022

Summary Internal Controls Assurance

Introduction

1. This summary controls assurance report provides the Joint Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at Police and Crime Commissioner North Wales and Chief Constable North Wales Police as at 16th September 2022.

Emerging Governance, Risk and Internal Control Related Issues

2. According to the United Nations (UN) World Commission on Environment and Development, environmental sustainability is about acting in a way that ensures future generations have the natural resources available to live an equal, if not better, way of life as the current generations.

The world now looking towards a vital global goal: net-zero. According to climate science it is essential that we meet this target by 2050 if we are to give ourselves a chance of limiting global warming and avoiding the most catastrophic impacts of climate change. The UK's Climate Change Act 2008 sets the framework for how the UK will manage and respond to the threat of climate change. Under the Act, the UK must reduce total GHG emissions by at least 78% below 1990 levels by 2035 and reach net zero by 2050.

Since 1st October 2013 the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has required all UK quoted companies to report on their greenhouse gas emissions as part of their annual Directors' Report. Increasingly, organisations are seeking information from their suppliers on greenhouse gas emissions, and as a result, many small businesses will be expected to measure and report on their emissions.



At TIAA, we have been taking this seriously for a number of years and are proud to have been accredited to the Green Dragon Environmental Certification since 2012, achieving Standard 3 in February 2022. Through our accreditation with Green Dragon, we understand our baseline emissions, set annual targets in order to reduce our impact and are focussed on implementing our most straight forward carbon reduction opportunities in the near future, before tackling longer term, more complex issues that may require cooperative working with other organisations.

Audits completed since the last SICA report to the Joint Audit Committee

3. The table below sets out details of audits finalised since the previous meeting of the Joint Audit Committee.

Audits completed since previous SICA report

		Key Dates			Number of Recommendations			
Review	Evaluation	Draft issued	Responses Received	Final issued	1	2	3	OEM
2021/22 Audits								
Contract Management (XPS)	Substantial	14 th July 2022	18 th July 2022	19 th July 2022	-	-	-	1
Counter Fraud (Anti-Fraud Procurement)	Reasonable	18 th July 2022	20 th July 2022	20 th July 2022	-	1	-	-
Office of the Police and Crime Commissioner Review of Complaints	Substantial	11 th July 2022	21 st July 2022	21 st July 2022	-	-	-	1
2021/22 Audits								
Wellbeing and Strategy	Substantial	6 th July 2022	26 th July 2022	27 th July 2022	-	-	1	-
Collaborative Compliance Review of Risk Management – Mitigating Controls	Substantial	17 th August 2022	31 st August 2022	31 st August 2022	-	-	-	-
Contract Management	Substantial	25 th August 2022	7 th September 2022	7 th September 2022	-	-	-	-

4. The Executive Summaries and the Management Action Plans for each of the finalised reviews are included at Appendix A. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress against the 2022/23 Annual Plan

5. Our progress against the Annual Plan for 2022/23 is set out in Appendix A. The final internal audit report for 2021/22, the Data Protection report has been issued as draft.

Changes to the Annual Plan 2022/23

6. There are no areas where areas where internal audit work is recommended to enable an unqualified Head of Audit Opinion to be provided for 2022/23.

Progress in actioning priority 1 recommendations

7. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA. The table below summarises the extent to which confirmation has been received that management actions have been taken that the risk exposure identified has been effectively mitigated. More information is provided in Appendix B.

Mitigating risk exposures identified by internal audit reviews

Review	Date	Priority 1		
N/A		0	0	0

Root Cause Indicators

8. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for Police and Crime Commissioner North Wales and Chief Constable North Wales Police. Each recommendation made is analysed to establish the underlying cause of the issue giving rise to the recommendation (RCI). The analysis needs to be considered over a sustained period, rather than on an individual quarter basis. Percentages, rather than actual number of reviews/recommendations made permits more effective identification of the direction of travel. A downward arrow signifies a positive reduction in risk in relation to the specific RCI.

RCI – Direction of Travel Assessment

Root Cause Indicator	Qtr 1 (2022/23)	Qtr 2 (2022/23)	Qtr 3 (2022/23)	Qtr 4 (2022/23)	Medium term Direction of Travel	Audit Observation
Directed						
Governance Framework	-	50% (1)			↑	
Risk Mitigation	-	50% (1)			↑	
Control Compliance	70% (7)	-			↓	
Delivery						
Performance Monitoring	-	-			↔	
Sustainability	-	-			↔	
Resilience	30% (3)	-			↓	

Frauds/Irregularities

9. We have not been advised of any frauds or irregularities in the period since the last SICA report was issued.

Other Matters

10. We have issued a number of briefing notes and fraud digests, shown in Appendix C, since the previous SICA report. The actions taken by Police and Crime Commissioner North Wales and Chief Constable North Wales Police are summarised below:

Action taken by Police and Crime Commissioner North Wales and Chief Constable North Wales Police in response to Alerts issued by TIAA

Briefing Note	Management Response
Internal Audit: Untapped Potential	To be provided by North Wales Police in the Internal Audit update
Rise in Environmental, Social and Governance and supply chain fraud	
Fraud Alert	Management Response
Mandate Fraud	To be provided by North Wales Police in the Internal Audit update
WhatsApp Smishing Scam.	
Increase in rising cost of living related crime	

Responsibility/Disclaimer

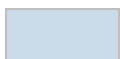
11. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

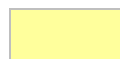
Progress against Annual Plan 2022-23

System	Planned Quarter	Current Status	Comments
Collaborative – Pan Wales			
HR – Use of OLEEO	1 4	Planned start date 23 rd January 2023	Lead Force - NWP Moved to Q4 at the request of North Wales
Risk Management – Mitigating Risk	1	Final Report Issued 31 st August 2022	Lead Force - NWP
Expenses and Additional Payments	2	Site work completed	Lead Force – Gwent
Payroll	2	Planned start 19 th September 2022	Lead Force – Dyfed-Powys
Creditors	2	Planned start 13 th September 2022	Lead Force – Dyfed-Powys
Fixed Assets – ICT Assets	2	To be agreed	Lead Force – Dyfed-Powys
Capital Programme	3	Planned start 13 th October 2022	Lead Force - NWP
Counter-Fraud (Anti-Fraud Procurement)	3	Planned start 12 th October 2022	Lead Force – South Wales
Fleet Management – Strategy	3	Planned start 17 th October 2022	Lead Force – South Wales
North Wales Only			
Contract Management – (Building/ICT/Services Project 2022/23)	1	final Report Issued 7 th September 2022	
Property Subject to Charge (Evidential Property)	1	Planned start 26 th September 2022	Moved to Q2 at the request if Management
Wellbeing and Strategy	1	Final Report Issued 27 th July 2022	
Estates Management - Delivery	1	Final Report Issued 1 st July 2022	Presented to July 2022 JAC
Central Area – Command Unit	1	Site work completed	
Corporate Communications	1	Site work completed	
Community Engagement	2		Moved to Q3


System	Planned Quarter	Current Status	Comments
Pensions	2	Planned start date 12 th December 2022	Moved to Q3
ICT Change Management	2	Planned start date 16 th January 2022	Moved to Q4
Vetting	2	Planned start date 14 th November 2022	
Cyber Security	3	Planned start date 12 th December 2022	
Health and Safety Management	3		
Treasury Management	3		
Firearms Licensing	3		
HR Absence Management	3	Planned Start Date 4 th October 2022	
Fleet Management – Repairs	3	Planned start date 18 th January 2023	
Liaison with Audit Wales Management	1-4		
Follow-up	4		
Annual Planning	1	Final report issued 30 th June 2022	
Annual Report	4		
Audit Management	1-4		

KEY:

 To be commenced

 Site work commenced

 Draft report issued

 Final report issued

Priority 1 Recommendations - Progress update

Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer	Action taken to date (and any extant risk exposure)	Risk Mitigated
There are no Priority 1 Recommendations						

KEY:

Priority Gradings 1

1	URGENT	Fundamental control issue on which action should be taken immediately.
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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
CBN-20019	Internal Audit: Untapped Potential		Action Required: Audit Committees and Boards / Governing Bodies are advised to note the report.
CBN-21026	Rise in Environmental, Social and Governance and supply chain fraud		For Information Only: Audit Committees and Boards / Governing Bodies are advised to note the outcome of the survey.

Summary of recent Fraud Alerts

Ref	Subject	Status	TIAA Comments
July 2022	Mandate Fraud		Action Required For information and guidance only.
August 2022	WhatsApp Smishing Scam.		Action Required Stop and think before making any payments or giving out personal and financial information, even if the message is from someone in your contacts. If a family member or a friend makes an unusual request via WhatsApp, always call them to confirm their identity. Use the number you already have for them. You can report and block messages. If you receive a message on WhatsApp from someone not in your contacts, WhatsApp will ask if you want to report or block them. This alert provides information and advice to employees about fraud and economic crime, and the risks associated with it. If you have fallen victim to fraud or cybercrime you should report it to Action Fraud by calling 0300 123 2040 or visit: https:// actionfraud.police.uk/reporting-fraud-and cyber-crime .
August 2022	Increase in rising cost of living related crime		Action Required Not Urgent Organisations should review their current Anti-Crime arrangements and are advised to actively report all incidents of crime to their nominated Anti-Crime Specialists and the Police.

Police and Crime Commissioner for North Wales and Chief Constable North Wales Police

Internal Audit Annual Report

2021/22

September 2022

Internal Audit Annual Report

Introduction

This is the 2021/22 Annual Report by TIAA on the internal control environment at the Police and Crime Commissioner for North Wales and Chief Constable North Wales Police. The annual internal audit report summarises the outcomes of the reviews we have carried out on the organisation's framework of governance, risk management and control. This report, which incorporates CIPFA guidance on the potential limitation of scope brought about by the impact of COVID-19, is designed to assist the Police and Crime Commissioner for North Wales and Chief Constable North Wales Police in making its annual governance statement.

Limitations on our opinion arising from Covid-19

The impact of COVID-19 on many organisations has continued to be felt throughout 2021/22 with restrictions continuing to be applied. This has been compounded by the emergence of new variants which has required the vaccination and booster programme to be accelerated. These have impacted staff availability and organisational capacity. It is acknowledged that this has affected some sectors more than others.

For internal audit the question remains as to whether sufficient internal audit work has been undertaken to gain assurance during 2021/22. This is a key consideration to fulfil the requirement of the Public Sector Internal Audit Standards (PSIAS) for the Head of Internal Audit (HIA) when issuing their annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This opinion is in turn one of the sources of assurance that the organisation relies on for its Annual Governance Statement. Factors that need to be taken in to account in reaching a conclusion include:

- Has any reduction in coverage compared to what was planned resulted in insufficient assurance work?
- Have any limitations in the scope of individual assignments resulted in it only being possible to place partial assurance on the outcome?
- Have changes in ways of working led to gaps in the governance, risk management and control arrangements?

TIAA understands the considerable challenges and the difficult decisions that organisations are having to deal with, however, the professional and regulatory expectations on public bodies to ensure that their internal audit arrangements conform with PSIAS have not changed. In this difficult situation, heads of internal audit will need to consider whether they can still issue the annual opinion or whether there will need to be a limitation of scope.

A limitation of scope arises where the HIA is unable to draw on sufficient assurance to issue a complete annual opinion in accordance with the professional standards. This is an issue not only for the HIA but also for the leadership team and the audit committee who normally rely on that opinion. It may also have wider consequences for stakeholder assessments of the organisation.

What this means for Police and Crime Commissioner for North Wales and Chief Constable North Wales Police

There has been minimal or no impact on the delivery of the internal audit work for 2021/22 as a result of the COVID-19 pandemic. There have been no changes to the planned work as a result of COVID-19; any changes to the plan were based on purely on business/operational need.

HEAD OF INTERNAL AUDIT'S DRAFT 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 for North Wales and the Chief Constable North Wales Police from its various sources of assurance.

Internal Audit Planned Coverage and Output

The 2021/22 Annual Audit Plan approved by the Joint Audit Committee was for 199 days of internal audit coverage in the year.

During the year there were several changes to the plan all of which were reported to and approved by the Joint Audit Committee as follows:

- The Fleet Management Strategy audit was deferred to 2022/23 at Management's request;
- The Collaborative Creditors and Payroll reviews were deferred to Quarter 2 of 2022/23; and
- An additional review of the Office of the Police and Crime Commissioner's Management of Complaints was requested and a budget for 4 days was agreed.

The planned work that has been carried out against the plan and the status of work not completed is set out at Annex A.

Assurance

TIAA carried out 25 reviews, 24 of which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve Police and Crime Commissioner for North Wales and Chief Constable North Wales Police's objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	15	13
Reasonable Assurance	7	6
Limited Assurance	2	1
No Assurance	0	0

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

We made the following total number of recommendations on our audit work carried out in 2021/22. The numbers in brackets relate to 2020/21 recommendations

Urgent	Important	Routine
2 (1)	22 (23)	15 (26)

The numbers above exclude the Collaborative All Wales Pension Hub review. All recommendations raised were for implementation by the All Wales Pension Lead based in Dyfed-Powys.

Audit Summary

Control weaknesses: There were two areas reviewed by internal audit, Health and Safety Management and Fixed Assets, where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited assurance'. Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations had been accepted.

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

Risk Area	Urgent	Important	Routine
Directed			
Governance Framework	0 (0)	1 (2)	4 (5)
Risk Mitigation	0 (0)	0 (0)	1 (1)
Compliance	2 (1)	19 (20)	6 (20)
Delivery			
Performance Monitoring	0 (0)	0 (1)	1 (0)
Financial Constraint	0 (0)	0 (0)	0 (0)
Resilience	0 (0)	2 (0)	3 (0)

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

Operational

10 (6)

Independence and Objectivity of Internal Audit

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

Performance and Quality Assurance

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

Performance Measure	Target	Attained
Completion of Planned Audits	100%	93% ¹
Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	100%
Compliance with Public Sector Internal Audit Standards	100%	100%

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

Release of Report

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

Date Draft Report issued:	29 th June 2022
Date Revised Draft Report issued:	5 th September 2022 (Position as at 25 th August 2022)
Date 2 nd Revised Draft Report issued:	16 th September 2022

¹ The Creditors and Payroll Reviews were not completed in 2021/22 and have been deferred to 2022/23.

Annexes

Annex A

Actual against planned Internal Audit Work 2021/22

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Collaborative Reviews					
Counter Fraud (Anti-Fraud Procurement)	Compliance	5	5	Reasonable	Final Report Issued
Pensions - All Wales Pensions Board	Assurance	5	3	Reasonable	Final Report Issued
Safety Camera Partnership	Assurance	5	5	Substantial	Final Report Issued
Automatic Number Plate Recognition	Assurance	5	5	Reasonable	Final Report Issued
Agile Working	Assurance	5	5	Substantial	Final Report Issued
Budgetary Control	Assurance	5	5	Substantial	Final Report Issued
General Ledger	Assurance	5	5	Substantial	Final Report Issued
Payroll	Assurance	6	0		Deferred to 2022/23
Creditors	Assurance	5	0		Deferred to 2022/23
Debtors	Assurance	5	5	Substantial	Final Report Issued
Treasury Management	Assurance	4	4	Substantial	Final Report Issued
North Wales Police Only					
Performance Management	Assurance	10	10	Substantial	Final Report Issued
Health and Safety Management	Assurance	10	10	Limited	Final Report Issued
ICT - Network Security	Assurance	8	8	Reasonable	Final Report Issued
Western Area - Command Unit	Compliance	8	8	Reasonable	Final Report Issued
OPCC Complaints	Assurance	0	4	Substantial	Final Report Issued

System	Type	Planned Days	Actual Days	Assurance Assessment	Comments
Pensions - Cyber Security	Assurance	5	5	Reasonable	Final Report Issued
Commissioner's Grants	Assurance	6	6	Substantial	Final Report Issued
ICT Data Protection	Assurance	6	6	Substantial	Draft Report Issued
Capital Programme	Assurance	8	8	Substantial	Final Report Issued
Fleet Management - Fleet Strategy	Compliance	6	0		Deferred to 2022/23
Risk Management - Mitigating Risks	Compliance	6	6	Substantial	Final Report Issued
Contract Management	Assurance	6	6	Substantial	Final Report Issued
Fixed Assets	Assurance	6	6	Limited	Final Report Issued
HR Management - HR Strategy	Assurance	10	10	Substantial	Final Report Issued
Occupational Health Unit	Assurance	5	5	Reasonable	Final Report Issued
Strategic Planning	Assurance	10	10	Substantial	Final Report Issued
Follow Up	Follow Up	6	6	N/A	Final Report Issued
Liaison with Audit Wales		2	2		
Annual Planning		4	4		Final Plan Issued
Annual Report		4	4		Draft Report Issued
Audit Management		18	18		
Total Days		199	184		

Joint Audit Committee
Meeting Date: 10TH October 2022

Title:	Internal Control Report
Author:	Anne Matthews, Finance & Budget Officer
Purpose of the report:	To provide the Joint Audit Committee with an overview of Internal Control activity within the Force
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<p>The report focusses on key Internal control activity regarding:</p> <ul style="list-style-type: none"> • Recommendation status from previous TIAA Audits • Recommendations issued with revised due dates for implementation • Management response regarding Client Briefing Notes, Fraud Alerts, Fraud Articles and Security Alerts issued in the period • TIAA audits issued in the period • Update on Limited Assurance audits • Current status of 2021-22 Internal Audit Plan • Current status of 2022-23 Internal Audit Plan • Internal Audit Action Updates regarding 28/07/2022 JAC Actions • Summary <p>The first 6 pages of the report provide an overview with the following 8 pages providing supplementary information via Appendices, should it be required.</p> <p>Internal audit is a fixed agenda item discussed in the bi-monthly Joint Governance Board meetings; Internal audit is also discussed during monthly meetings held between the DFR, HoF and FBO.</p>
Recommendations:	None
Risk Register Impact:	TIAA control findings, Client Briefing Notes, Fraud Alerts and Anti-Crime Alerts have been considered for reflection on the Force Risk Register.
Assurance Implications:	This report is directly relevant to Internal Control Activity providing Assurance in North Wales Police.
Equality Impact:	None
Information Exempt from Disclosure:	N/A – All content in Open Session

JOINT AUDIT COMMITTEE

INTERNAL CONTROL REPORT – 10TH October 2022

REPORT OF THE NORTH WALES POLICE AND CRIME COMMISSIONER AND CHIEF CONSTABLE

1. INTRODUCTION

Internal audit is a fixed agenda item discussed in the bi-monthly Joint Governance Board meetings; Internal audit is also discussed during monthly meetings held between the DFR, HoF and FBO. If FBO requires any assistance/input from DFR/HoF this can be done in between meetings.

The purpose of this report is to provide an update on the Internal Control Activity undertaken since the last Joint Audit Committee and is based on information received and recorded by 15/09/2022. The aim is to supplement the TIAA papers received by JAC with a view to providing additional assurance.

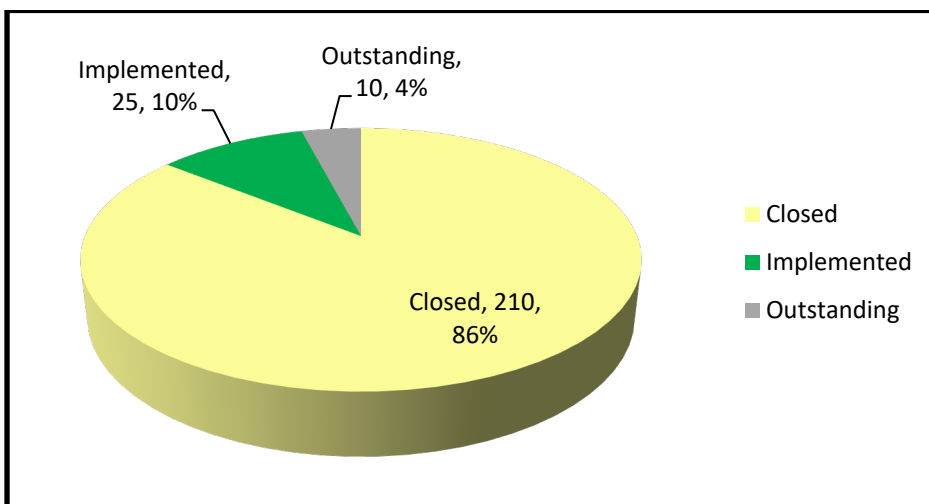
It is anticipated that further activity may have been undertaken by the JAC October meeting itself, which will be verbally updated on exception at the meeting.

The report focusses on key Internal control activity regarding:

- Recommendation status from previous TIAA Audits
- Recommendations issued with revised due dates for implementation
- Management response regarding Client Briefing Notes, Fraud Alerts, Fraud Articles and Security Alerts issued in the period
- TIAA audits issued in the period
- Update on Limited Assurance audits
- Current status of 2021-22 Internal Audit Plan
- Current status of 2022-23 Internal Audit Plan
- Internal Audit Action Updates regarding 28/07/2022 JAC Actions
- Summary

2. RECOMMENDATION STATUS OF TIAA AUDITS

The position on Internal Audit recommendations as at 15/09/2022 is outlined below:



Movement since the last JAC meeting is as per the below:

- 4 new recommendations received during this period.
- 3 (new) recommendations implemented.
- 3 (existing) recommendations implemented.

Summary of 6 recommendations that have been implemented since July meeting detailed below:

No of Recs				JAC MEETING
Priority	ID	Job	Rec status	10/10/2022
2	257010	21/22 Occupational Health Unit	Existing	1
	257009	21/22 Occupational Health Unit	Existing	1
3	263450	22/23 Estates Management - Delivery	New	1
	263451	22/23 Estates Management - Delivery	New	1
	258218	21/22 Agile Working - Collaborative	Existing	1
	264054	22/23 Wellbeing and Strategy	New	1
Grand Total				6

The carried forward recommendations continue to be monitored and pursued routinely.

The **accumulative** total of 25 implemented recommendations since July meeting is outlined below:

Status Summary - Implemented	Category	No
Implemented on or before original due date	Cat 1	16
Implemented on or before 1st revised due date	Cat 2	4
Implemented on or before 2nd revised due date	Cat 3	1
Implemented on or before 3rd revised due date	Cat 4	0
Implemented on or before 4th revised due date	Cat 5	0
Implemented on or before 5th revised due date	Cat 6	0
Implemented after original and/or revised due date	Cat 7	4
		25

Analysis of the 10 outstanding recommendations as at 15/09/2022 is also outlined below:

Status Summary - Outstanding Recommendations	Category	No
No of Recommendations - still on original due date	Cat 1	3
No of Recommendations - 1st revised due date	Cat 2	3
No of Recommendations - 2nd revised due date	Cat 3	1
No of Recommendations - 3rd revised due date	Cat 4	2
No of Recommendations - 4th revised due date	Cat 5	1
No of Recommendations - 5th revised due date	Cat 6	0
No of Recommendations - Overdue	Cat 7	0
		10

An ongoing emphasis on trying to ensure that the initial deadlines set are both appropriate and realistic (to ensure that the revision of dates isn't happening as a matter of course) remains in place.

Analysis of the 10 outstanding recommendations and how they tally to each audit is provided on Appendix 1, page 7.

The latest position and update regarding the 10 outstanding recommendations is included in Appendix 2, pages 8-11. This includes the Responsible Officer for each outstanding action with roles, rather than individual names included in the report.

3. RECOMMENDATIONS ISSUED WITH REVISED DUE DATES FOR IMPLEMENTATION

Collaborative Project Review – Q365

(002) 249422 - The software testing is still ongoing where required as we come to the final stages of the deployment in OSS and Special Constabulary. Revised due date Nov 2022.

(003) 249424 - Unable to recruit into the sys admin role. Phase 2 plans for NEP Project include absorbing this work into the PMO. Revised due date of Sept 2023.

(005) 249426 – as above; unable to recruit into the sys admin role. Phase 2 plans for NEP Project include absorbing this work into the PMO. Revised due date of Sept 2023.

Western Area Command Unit – specifically Fire Marshal Training

(006) 252116 - Following discussions with ACC earlier this year as part of the Agility Board Meetings the final recommendation is that PCSOs and Front Counter Staff (peripatetic role) are trained as Fire Stewards; this is a decision for uptake Forcewide. Liaison with Training Department has been ongoing since the meeting in terms of the rollout. The revised due date has been extended to 31/12/2022 to allow for training rollout.

Further detail on these recommendations is in Appendix 2.

4. MANAGEMENT RESPONSE REGARDING CLIENT BRIEFING NOTES (CBNs) FRAUD ALERTS, FRAUD ARTICLES AND SECURITY ALERTS INCLUDING THOSE ISSUED IN THE PERIOD

Current status of CBNs, Fraud Alerts, Fraud Articles and Security Alerts is shown below:

Type	Total No rec'd	No rec'd in current period	Action Required	Open Actions
CBNs - 19016-22026	53	2	0	0
Fraud Alerts - FA024 -FA031	31	3	0	0
Fraud Articles - FA001-FA005	5	0	0	0
Security Alerts - SA001 - SA002	2	1	0	0

CBNs, Fraud Alerts and Security Alerts received during the period were reviewed and progressed by the management team.

There were two CBNs, three fraud alerts and one security alert issued in the period 01/07/2022 to 15/09/2022.

CBNs

- CBN-22019 –Internal Audit – Untapped Potential - Audit Committees and Boards / Governing Bodies are advised to note the report. Bulletin circulated and closed.
- CBN-22026 – Rise in Environmental, Social and Governance and supply chain fraud. Bulletin circulated and closed.

Fraud Alerts

- FA029 –Mandate Fraud –Guidance for Suppliers information only – Circulated and closed; further advice received from and distributed by ICT Security Manager.
- FA030 –WhatsApp Smishing Scam – Circulated, uploaded to Fy Llais and closed.
- FA031 - Increase in rising cost of living related crime – DFR discussed with ACC who in turn reassured DFR that he is aware of the risk of increased crime linked to the “cost of living” crisis locally in NWP and within the ROCU where it was discussed in the Level 2 TCG.

Fraud Articles – for information purposes only

- No new fraud articles received during the period 01/07/2022 – 15/09/2022

Security Alerts

- SA002 – Operation London Bridge – this alert was not circulated to NWP employees as a Gold group was set up on 09/09/2022; The ACC is Gold Commander and Supt OSS is Silver Commander, regular updates are being issued to all NWP employees.

5. TIAA AUDITS ISSUED IN THE PERIOD

Three 2021-22 TIAA audits were issued in the period 01/07/2022 to 15/09//2022 two were graded Substantial; one was graded Reasonable; further details of the audits and the associated findings are reflected in the TIAA SICA report.

Three 2022-23 TIAA audits were issued in the period 01/07/2022 to 15/09/2022.

6. UPDATE ON LIMITED ASSURANCE AUDITS

ICT Fixed Assets

2021/2022 Fixed Assets - ICT – Limited Assurance – There were 6 important recommendations; Confirmation received from Head of ICT services that all recommendations were implemented by 07/06/2022.

Stakeholders met on 06/07/2022 to score the fixed assets for possible inclusion on the Force Risk register; I can confirm that Risk 101 was added to the Force risk register in July 2022. The present status of the risk is “Low”.

Fixed Assets is due to be re-audited as a collaborative audit in Q3, dates to be agreed.

7. TIAA’S 2021-22 REVISED DRAFT ANNUAL REPORT

The draft annual report has been revised and circulated for approval prior to finalisation; once finalised it will be uploaded to the JAC google drive.

Information below extracted from revised draft report.

“TIAA carried out 25 reviews, 24 of which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve Police and Crime Commissioner for North Wales and Chief Constable North Wales Police’s objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and a summary is set out below”.

HEAD OF INTERNAL AUDIT’S DRAFT 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 for North Wales and the Chief Constable North Wales Police from its various sources of assurance.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	15	13
Reasonable Assurance	7	6

Limited Assurance	2	1
No Assurance	0	0

Title	Assurance Level
Collaborative audit - Debtors	Substantial
Risk Management – Mitigating Controls	Substantial
HR/Workforce Management - Strategy	Substantial
Fixed Assets	Limited
Collaborative audit - General Ledger	Substantial
Collaborative audit - Budgetary Control	Substantial
Collaborative audit - Treasury Management	Substantial
Commissioner's Grants	Substantial
Governance - Yr 2 Performance management	Substantial
Collaborative audit - Safety Camera Partnership	Substantial
Collaborative audit - ANPR	Reasonable
Capital Programme	Substantial
ICT-Network Security	Reasonable
Pensions Cyber Security	Reasonable
Command Unit - Western Area	Reasonable
Governance - Yr 2 Health & Safety Management	Limited
Collaborative audit - Pensions All Wales Hub	Reasonable
Occupational Health unit	Reasonable
Governance - Yr 1 Strategic Resource Planning	Substantial
Agile Working	Substantial
OPCC - Review of Complaints	Substantial
Contract Management - XPS Contract	Substantial
Collaborative audit - Counter Fraud	Reasonable
Data Protection	Substantial

8. 2021-22 INTERNAL AUDIT PLAN

Current status of the 2021-22 internal audits:

- 18 NWP Audits - 16 audits completed and reports finalised (the follow up audit is not graded); 1 audit –draft report issued and circulated (Data Protection received 16/09/2022); 1 audit (Fleet Strategy) deferred to 2022/2023.
- 10 Collaborative audits (4 Welsh Forces) – 8 audits finalised; 2 audits (Payroll and Creditors) – deferred to 2022/2023.

9. 2022-23 INTERNAL AUDIT PLAN

Current status of the 2022-23 internal audits (Appendix 3 – page 12-13):

- 17 NWP Audits - 3 audits – final report issued; 2 audits – fieldwork commenced; 5 audits - booked in; 1 audit – proposed dates; 6 audits yet to be scheduled.
- 9 Collaborative audits (4 Welsh Forces) – 1 audit – final report issued; 2 audits – fieldwork commenced; 5 audits - booked in; 1 audit – proposed dates.

10. INTERNAL AUDIT ACTION UPDATES STEMMING FROM 28/03/2022 JAC MEETING

AP7 (01/04/2022) - Internal Audit - Director of Finance and Resources to consider suggestions and take into consideration when developing the APM.

Cyber Security APM received and shared with JAC ICT Lead 07/09/2022.

AP1 (28/07/2022) – Internal Audit - Internal Audit to note within document why audits have been deferred.

This information was detailed in the March 2022 SICA as audits referred to relate to 2021/2022 audit plan; DFR has updated the AGS, agreed in JGB.

AP2 (28/07/2022) – Internal Audit - Internal Audit to share with Joint Audit Committee how collaborative audits are chosen to ensure all are suitable for North Wales Police.

A meeting was held between the 4 Welsh Forces, DFRs and audit coordinators in February 2022; ahead of the meeting all forces were issued their annual plans and in turn highlighted which audits to nominate as collaborative audits.

These audits were discussed during the meeting, decisions were made within that meeting as to which audits would be collaborative and Leads for each collaborative audit appointed. SWP forwarded this information to TIAA.

AP2 (28/07/2022) – Internal Audit - Internal Audit to share APM's on the Cyber security audit with Joint Audit Committee

Cyber Security APM received and shared with JAC ICT Lead 07/09/2022.

11. SUMMARY

This report is provided to the Joint Audit Committee to provide assurance around the internal control activity taking place in the period.

It should be read in conjunction with TIAA's SICA report and is supplemented by the detailed Internal control schedules shared with JAC members along with the TIAA internal audit reports that are also routinely shared.

Appendix 1 - Analysis of the 10 outstanding recommendations and how they tally to each audit

No	ID	Service	Job	Year	Risk Area	Type	Recs Monitored Via	Linked to Risk Register
001	237156	ICT Audit	GDPR Compliance Audit PO No FN27625	2018	Operational Risk	Existing	Quarterly Joint Governance Board	72 Data Protection
002 003 004 005	249422 249424 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
006	252116	Internal Audit	21/22 Western Area - Command Unit	2021	Directed Risk	Existing	Quarterly Joint Governance Board; Quarterly H & S meeting	-
007	257011	Internal Audit	21/22 Occupational Health Unit	2021	Directed Risk	Existing	Quarterly Joint Governance Board	-
008	258804	Internal Audit	21/22 Debtors - Collaborative	2021	Delivery Risk	New	Quarterly Joint Governance Board	-
009	259474	ICT Audit	21/22 ICT – Network Security	2021	Directed Risk	New	Quarterly Joint Governance Board	10 Network Security Risk from External Evidence 11 Encryption of Disks 46 Digital Transformation 60 Cyber Security Threats 72 Data Protection
010	263859	Internal Audit	21/22 Counter Fraud (Anti-Fraud Procurement) - Collaborative	2021	Directed Risk	New	Quarterly Joint Governance Board	-

Appendix 2 – Latest Management Response relating to Outstanding Recommendations

Overview

Priority Level	No	Responsible Officer	Job	Original Due Date	Revised Due Date	No of Recs
2	001	Programme Manager, Corporate Programme Office	GDPR Compliance Audit PO No FN27625	31/03/2020	01/03/2023	1
	002	Superintendent, SMT, Corporate Services	20/21 Collaborative Project Review – Office 365	31/03/2022	30/11/2022	1
	003	Superintendent, SMT, Corporate Services	20/21 Collaborative Project Review – Office 365	31/03/2022	30/09/2023	1
	004	Superintendent, SMT, Corporate Services	20/21 Collaborative Project Review – Office 365	30/09/2023		1
	006	Health & Safety Administrator	21/22 Western Area - Command Unit	01/09/2021	31/12/2022	1
	007	Head of medical Services and Wellbeing	21/22 Occupational Health Unit	31/05/2022	30/09/2022	1
	009	Head of ICT Services	21/22 ICT – Network Security	30/06/2022	30/11/2022	1
	010	Detective Supt, PSD	21/22 Counter Fraud (Anti-Fraud Procurement) - Collaborative	31/12/2022		1
	005	Superintendent, SMT, Corporate Services	20/21 Collaborative Project Review – Office 365	30/09/2022	30/09/2023	1
	008	Treasury & Finance Officer	21/22 Debtors - Collaborative	30/09/2022		1
Grand Total						10

No	ID	Job	Year	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
001	237156	GDPR Compliance Audit PO No FN27625	2018	Operational Risk	A review process be introduced to minimise the risks around sensitive data being stored to network drives.	2	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	01/03/2023	4	07/06/2022 - Update received from Project Manager - CGI are currently conducting a risk assessment against the proposed migration tool for referral to IS&C. Approval will be sought at this time to progress to migrate the data with guidance to M365 SPOCs in each department to minimise risk regarding sensitive data. 27/07/2022 - No further update since 07/06/2022 - Project Manager 15/09/2022 - Update received from Project Manager - Ongoing - Queries raised to CIO as part of the risk assessment. Responses will be reviewed once received to produce to a final report.
002	249422	20/21 Collaborative Project Review – Office 365	2020	Directed Risk	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	30/11/2022	3	07/06/2022 - Update received from Project Manager - The testing of software for compatibility continues to be prioritised ahead of NEP onboarding for all users in NWP during the rollout. The majority of specialist applications were tested during phase 1 and function successfully on NEP devices. Any further testing will continue where applicable through to completion of the NEP deployment, which is estimated to be completed in Sept 2022. 27/07/2022 - No further update since 07/06/2022 - Project Manager 15/09/2022 - Update received from Project Manager - Ongoing - the software testing is still ongoing where required as we come to the final stages of the deployment in OSS and Special constabulary. Revised due date Nov 2022.
003	249424	20/21 Collaborative Project Review – Office 365	2020	Directed Risk	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	30/09/2023	4	07/06/2022 - Update received from Project Manager - Recruitment of a sys admin is still a challenge. Priority is being given to update existing policy/ sys ops for some core aspects. NWP have recruited a Head of Applications role. The successful candidate is due to start in the coming months and will work with the PMO to develop a process of assessment, assurance, suitability for any apps (including Power apps) that users find or wish to be developed. Suggest revised due date of September 2022 due to recruitment of both roles. 27/07/2022 - Update received from Project Manager - The recruitment of a the tech sys admin role is still a challenge and the post remains vacant. Plans are being discussed to absorb this work within the PMO post completion of NEP deployment. 15/09/2022 - - Update received from Project Manager - Unable to recruit into the sys admin role. Phase 2 plans for NEP Project include absorbing this work into the PMO. Revised due date of Sept 2023.
004	249425	20/21 Collaborative Project Review – Office 365	2020	Directed Risk	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		1	07/06/2022 - Update received from Project Manager - Remains on track for September 2023. 27/07/2022 - No further update since 07/06/2022 - Project Manager 15/09/2022 - Update from Project Manager - Remains on track. No further update.

No	ID	Job	Year	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
005	249426	20/21 Collaborative Project Review – Office 365	2020	Directed Risk	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	30/09/2023	2	<p>07/06/2022 - Update received from Project Manager - Backfill for this role is still a challenge and therefore the deployment of NEP has been prioritised at this time.</p> <p>27/07/2022 - Update received from Project Manager - The recruitment of a tech sys admin role is still a challenge and the post remains vacant. Plans are being discussed to absorb this work within the PMO post completion of NEP deployment.</p> <p>15/09/2022 - Update received from Project Manager - Unable to recruit into the sys admin role. Phase 2 plans for NEP Project include absorbing this work into the PMO. Revised due date of Sept 2023.</p>
006	252116	21/22 Western Area - Command Unit	2021	Directed Risk	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 H&S 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 H&S 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 H&S Unit when Fire Marshalls move to other locations/role so that records are kept up to date in line with our legislative responsibilities. Without this information, the H&S unit cannot maintain accurate records.	Health & Safety Administrator	01/09/2021	31/12/2022	5	<p>15/03/2022 - Update received from Training Admin; Due to unavailability of trainer the Fire Steward Course due on 16/03/2022 was cancelled.</p> <p>25/04/2022 - Confirmation from Training Admin that there are currently 32 officers/support staff on the waiting list for the Fire Steward Training course.</p> <p>19/05/2022 - Update received from Training Dept Supervisor - a trainer is available to run the Fire Steward Course on the following dates: 01/07/2022,21/07/2022 and 29/07/2022. There should be enough room on these dates to clear the urgent backlog.</p> <p>12/08/2022- Following discussions with ACC earlier this year as part of the Agility Board Meetings the final recommendation it that PCSOs and the 26 Front Counter Staff (peripatetic role) are trained as Fire Stewards; this is a decision for uptake Forcewide. Liaison with training department has been ongoing since the meeting in terms of the rollout.</p> <p>Extend to 31/12/2022 to allow for training rollout.</p>
007	257011	21/22 Occupational Health Unit	2021	Directed Risk	Outcomes of Customer Feedback Questionnaires be documented outlining the results, recommendations, actions and any lessons learnt and these be reported to the People and Organisational Development Strategic Board.	2	Feedback forms initiated Feb 2022 changing collection to an electronic version for data capture.	Head of medical Services and Wellbeing	31/05/2022	30/09/2022	2	<p>15/09/2022 – update received from Head of Medical Services - Collection of data is in progress with a number of forms completed, working with Senior HR Analyst with regards the best formats to report on the information.</p> <p>Series of meetings have been undertaken through July & August with Senior HR Analyst to define and confirm how the feedback for each of the clinical services are be collated and captured within a dashboard. SHA now progressing with the final build which is to be presented to the OHU Management Team scheduled for the end of Sept.</p> <p>The Riomed Cellma system is planned to go live on October 17th, 2022 which will aid data collection in the future.</p>
No	ID	Job	Year	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response

008	258804	21/22 Debtors - Collaborative	2021	Delivery Risk	A course of action to be agreed in respect of the old "queried Invoices with SFF" balances and implemented.	3	The five invoices totalling £565.48 relate to the period 18/11/16 to 23/01/18 covering two financial years 2016/17 and 2017/18. It has been agreed that the Financial Accountant and Treasury & Finance Officer will look to clear them or write them off by the end of September 2022. The Treasury & Finance Officer will discuss the invoices with the SSF Manager to assist in the decision making.	Treasury & Finance Officer	30/09/2022		1	15/09/2022 - Update received from TFO - As per audit these invoices were raised prior to the current process being implemented. Discussions taking place with Employment Services Team Leader who is reviewing each case.
009	259474	21/22 ICT – Network Security	2021	Directed Risk	The 103 Windows 7 devices identified where the primary user also has access to a Windows 10 device be disabled and the user contacted to arrange the return of the Windows 7 device to ICT.	2	CGI will contact the users/SPOCs for all non JCC devices and will arrange rebuild or collection for disposal. We will also compare this list of assets with the NWP PMO NEP Build replacement programme, to clarify if there are plans to replace any of these over the coming weeks. Since the audit 165 devices have been identified as JCC devices in Colwyn Bay/St Asaph; as per finding these will be upgraded when the new ICAD on-call in the cloud service becomes active for NWP.	Head of ICT Services	30/06/2022	30/11/2022	2	07/06/2022 – Update received from Head of ICT Services - There is extended support in place for Windows 7 until 13th January 2023. So, operating system patching will continue to take place until then and this is the deadline, we are working to in order to remove all Windows 7 machines from the estate. Two Separate pieces of work occurring in this area: 1. 161 Windows 7 devices in JCC Control Room - Windows 10 operating system test device provided to Hexagon. Hexagon attempting to build Control Room application on Windows 10 machine. If successful, image can be rolled out on the 161 machines. 2. 224 Windows 7 machines actively being used across the estate. This is split between 39 laptops and 185 Desktops. All of these machines have been identified as machines that cannot be built with the NEP build and as such need to be replaced. CGI currently working with NWP ICT to give details of devices so that NWP can arrange replacement devices. 15/09/2022 - Network Security will be reviewed as part of the Cyber Security audit taking place in December 2022.
010	263859	21/22 Counter Fraud (Anti-Fraud Procurement) - Collaborative	2021	Directed Risk	The Counter Corruption Policy be reviewed and updated as planned.	2	PSD are fully aware of the need to review the CCU and this is currently underway, however the national picture is evolving at pace and a number of areas of the policy will be affected.	Detective Supt, PSD	31/12/2022		1	

Appendix 3 - 2022-23 Audit Plan Schedule – Associated Risk

Title	Type	Planned Quarter	Revised Quarter	Current Status	Fieldwork Commencement Date	Expected Completion Date	Assurance Level	No of Recommendations	Associated Risk
Governance - Yr 3 Community Engagement	Assurance	Q2		Awaiting dates					-
Governance - Yr 3 Corporate Communications	Assurance	Q1	Q2	Fieldwork Commenced	22/08/2022	02/09/2022			-
Governance - Health & Safety Management	Assurance	Q3		Awaiting dates					76 H&S; closed monitored via Risk Assurance Mapping
Risk Management – Mitigating Controls - Collaborative audit	Compliance	Q2		CA - Final report issued	06/07/2022	08/07/2022	Substantial	None	-
ICT - Cyber Security	Assurance	Q3		Booked in	12/12/2022	20/12/2022			46 Digital Transformation 60 Cyber Security Threats
ICT - Change Management	Assurance	Q2	Q4	Booked in	16/01/2023	24/01/2023			-
ICT Fixed Assets - Collaborative audit	Compliance	Q2	Q3	CA - Awaiting revised dates	01/10/2022	01/10/2022			Awaiting outcome of scheduled meeting
Payroll incl overpayments- Collaborative audit	Assurance	Q2		CA -Booked in	19/09/2022	21/09/2022			93 Inadequate financial resources to deliver service plans
Creditors - Collaborative Audit	Assurance	Q2		CA -Fieldwork commenced	13/09/2022	15/09/2022			93 Inadequate financial resources to deliver service plans
Pensions	Assurance	Q2		Awaiting dates					71 Pensions
Expenses & Additional payments - Collaborative audit	Compliance	Q2		CA -Fieldwork commenced	25/07/2022	27/07/2022			93 Inadequate financial resources to deliver service plans
Title	Type	Planned Quarter	Revised Quarter	Current Status	Fieldwork Commencement Date	Expected Completion Date	Assurance Level	No of Recommendations	Associated Risk

Treasury Management	Assurance	Q3		Awaiting dates					14 Risk of loss of money invested on the money market
Capital Programme - Collaborative Audit	Assurance	Q3		CA -Booked in	10/10/2022	13/10/2022			93 Inadequate financial resources to deliver service plans
Counter Fraud Procurement - Collaborative audit	Compliance	Q3		CA -Booked in	12/12/2022	15/12/2022			-
Fleet Management - Repairs incl BMW Issues	Compliance	Q3	Q4	Booked in	18/01/2023	20/01/2023			94 BMW Engines N57 an B57 issues
Fleet Strategy - Collaborative Audit	Assurance	Q3		CA -Booked in	17/10/2022	19/10/2022			-
Estates Management - Delivery	Compliance	Q1		Final report issued	26/05/2022	31/05/2022	Substantial	2 x Routine	-
Command Unit - Central Area	Compliance	Q1		Fieldwork commenced	01/07/2022	09/07/2022			-
Contract Management – (Building/ICT/Services Project)	Assurance	Q1		Final report issued	20, 26/04/2022	28/04/2022		None	93 Inadequate financial resources to deliver service plans
Property Subject to Charge	Compliance	Q1	Q2	Booked in	26/09/2022	30/09/2022			75 PTSC; closed monitored via Risk Assurance Mapping
Vetting - Uplift officers, new recruits, transferees	Compliance	Q2		Booked in	14/11/2022	27/11/2022			-
Firearms Licensing	Compliance	Q3		Awaiting dates					-
HR/Workforce Management – Wellbeing Strategy	Assurance	Q1		Final report issued	13/06/2022	20/06/2022	Substantial	1 x Routine	Wellbeing Unit Demand Risk (New)
HR Recruitment - OLEEO - Collaborative audit	Assurance	Q2	Q4	CA -Booked in	01/01/2023	01/01/2023			81 Inability attracting Staff to apply for key roles in NWP
HR Absence Management linked to Agility	Assurance	Q3		Proposed dates	04/10/2022	07/10/2022			-
Follow up		Q4		Awaiting dates					-

Appendix 4 – 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
ROUTINE - Control issue on which action should be taken.	3

“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
Recommendations - Overdue	7

JOINT AUDIT COMMITTEE

Title:	Risk Management Report (Open Session)
Author:	Neil T. Ackers, Risk and Business Continuity Lead
Purpose of the report:	To provide the Joint Audit Committee with an update on the organisational risk process and an oversight of the current risks recorded by North Wales Police and the North Wales Police and Crime Commissioner.
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> ▪ All risks have been reviewed monthly by the Risk and Business Continuity Lead ensuring they are updated and remain on target. A dated entry is made alongside the review within the embedded risk record 'supporting information document'. ▪ Reminders have been sent to Risk Leads to review and update their ongoing risks and actions either on a monthly or quarterly basis (dependent on the risk type). ▪ Since the previous update all risks on the Force Risk Register have been reviewed in the following meetings with no issues or exceptions having been raised. <ul style="list-style-type: none"> ○ Senior Management Team Meetings ○ Senior Leadership Team Meeting ○ Strategic Management Board ○ Strategic Executive Board ○ Strategic Operational Board ○ Strategic Change and Collaboration Board ○ A summary of all risks recorded on the Force Risk Register are also reported to the Assurance Board ▪ A summary of live NWP and OPCC risks recorded on the Force Risk Register 1st July 2022 - 16th September 2022. ▪ New risks recorded on Force Risk Register since last report <ul style="list-style-type: none"> • Risk 100 REDACTED CLOSED SESSION • Risk 101 REDACTED CLOSED SESSION • Risk 102 REDACTED CLOSED SESSION ▪ Risks removed from Force Risk Register since last report <ul style="list-style-type: none"> • Risk 90 REDACTED CLOSED SESSION

	<ul style="list-style-type: none"> ▪ Risk Changes on Force Risk Register since last report ▪ Force Risk Register Actions <ul style="list-style-type: none"> • Risk Actions RAG Ratings ▪ Force COVID19 Risk Register ▪ Developments regarding risk management <ul style="list-style-type: none"> • TIAA Audit Grading ▪ A summary table of the Force Risk Register as at 16/09/22
Recommendations:	None
Risk Register Impact:	This report is based on details recorded on both the Force Risk Register and Covid19 Risk Register
Assurance Implications:	This report is directly relevant to the development of assurance in North Wales Police
Equality Impact:	None
Information Exempt from Disclosure:	Yes (highlighted in yellow)

1. INTRODUCTION

The purpose of this report is to provide an update on the organisational risk management process and allow oversight of the status of North Wales Police and Crime Commissioner and North Wales Police risks and is based on information received and recorded by 16th September 2022 on the Force Risk Register version 6.31

Project risks are managed separately within the Portfolio Management Office; however, those that require Force attention are escalated to the Force Risk Register through the agreed process documented in the Risk and Assurance Mapping Framework.

2. FORCE RISK REGISTER SUMMARY

We continue to embed our approach to Risk Management across the organisation through regular interaction with the Risk Leads/Owners either monthly or quarterly (dependent on the risk type). Reminders have been sent to those individuals to review and update ongoing actions to ensure the risk remains on target. In addition to this we continue to conduct a monthly review of all risks and raised any concerns or issues with the Risk Leads and SMT's via their risk highlight reports. Risks are also reported to and reviewed at the Senior Leadership Team Meeting, Strategic Operational Board, Strategic Change and Collaboration Board, Strategic Management Board and Strategic Executive Board with no issues or exceptions having been raised. A summary of all risks recorded on the Force Risk Register are also reported to the Assurance Board.

Table 1: - NWP risks on the Force Risk Register 1st July 2022 – 16th September 2022

Risk Levels before Controls	Previous NWP Risk Total	Risks removed in this period	New Risks in this period	NWP Risks currently recorded on Force Risk Register
Critical	8	0	0	8
High	19	1	1	19
Medium	0	0	2	2
*Undefined	0	0	0	0
Total	27	1	3	29

* Undefined are risks which are awaiting completion of the risk template by the Risk Lead/Owner

Table 2: - OPCC risks on the Force Risk Register 1st July 2022 – 16th September 2022

Risk Levels Before Controls	Previous OPCC Risk Total	Risks removed in this period	New Risks in this period	OPCC Risks currently recorded on Force Risk Register
Critical	1	0	0	1
High	1	0	0	1
Medium	0	0	0	0
*Undefined	0	0	0	0
Total	2	0	0	2

* Undefined are risks which are awaiting completion of the risk template by the Risk Lead/Owner

3. NEW RISKS RECORDED ON FORCE RISK REGISTER SINCE LAST REPORT

Risk 100 REDACTED CLOSED SESSION

Risk 101 REDACTED CLOSED SESSION

Risk 102 REDACTED CLOSED SESSION

4. RISKS REMOVED FROM FORCE RISK REGISTER SINCE LAST REPORT

Risk 90 REDACTED CLOSED SESSION

5. RISK CHANGES ON FORCE RISK REGISTER SINCE LAST REPORT

There have been no changes to risks since last report.

6. FORCE RISK REGISTER ACTIONS

Risk Actions RAG Ratings

Actions Not on Track	Actions On Track but with Issues	Actions On Track	Completed Actions
0	5	59	63

Risks highlighted with 'Actions On Track but with issues' relate to Actions that are currently marked as pending or stalled and awaiting decisions on progression.

7. Force COVID19 Risk Register

There are currently no risks recorded on the Force Covid19 Risk Register.

8. DEVELOPMENTS REGARDING RISK MANAGEMENT

TIAA Audit - 6th and 8th July 2022

The following risks were selected by TIAA for audit:

- **Risk 94 REDACTED CLOSED SESSION**
- **Risk 81 Inability attracting Staff to apply for key roles in NWP**

The Force received a SUNSTANTIAL ASSURANCE Grading for this audit.

9. SUMMARY OF FORCE RISK REGISTER AS AT 16/09/2022

URN	Risk Title	Risk Levels			Risk Type	Date Risk Raised	Last Review Date	Risk Actions Progress				
		Before Controls	Present	Target				Outstanding Actions	Completed Actions	On Track	On Track with Issues	Not on Track
3	RMS Legacy Database	High	Medium	Low	Static	10/08/16	12/09/22	1	1	1		
10	REDACTED CLOSED SESSION	High	Medium	Low	Static	11/03/16	13/09/22	1	7	1		
11	REDACTED CLOSED SESSION	High	Low	Negligible	Static	03/07/17	22/07/22	1	9	1		
46	REDACTED CLOSED SESSION	High	Medium	Medium	Static	03/02/20	13/06/22	2	0	2		
54	REDACTED CLOSED SESSION	High	Medium	Low	Dynamic	29/04/20	05/09/22	1	1	1		
57	ESN proves to be an unviable or sub optimal solution	High	Medium	Low	Static	13/05/20	13/06/22	1	1	1		
60	REDACTED CLOSED SESSION	High	Medium	Medium	Static	19/05/20	20/06/22	1	3	1		
67	REDACTED CLOSED SESSION	High	Low	Low	Dynamic	19/08/20	29/07/22	1	2	1		
71	Pensions	High	High	Medium	Static	20/01/21	24/06/21	1	3	1		
73	REDACTED CLOSED SESSION	Critical	Medium	Low	Dynamic	01/03/21	06/09/22	1	0	1		
74	REDACTED CLOSED SESSION	Critical	Medium	Medium	Dynamic	04/06/21	07/09/22	2	13	2		
78	Unsupported Windows 10 Operating System	High	Medium	Medium	Dynamic	08/04/21	13/09/22	1	1	1		
79	Mandatory Refresher Training	High	Medium	Low	Dynamic	18/06/20	20/07/22	1	1	1		
81	Inability attracting Staff to apply for key roles in NWP	Critical	High	Medium	Dynamic	08/09/21	05/09/22	3	2	3		
82	ICT Supply Chain Issues	High	High	Medium	Static	10/09/21	06/07/22	1	2	1		
85	REDACTED CLOSED SESSION	Critical	High	Medium	Dynamic	29/11/21	06/09/22	1	0	1		
86	Disclosure Unit Backlogs	High	Medium	Medium	Static	09/11/21	21/06/22	1	2	1		
88	REDACTED CLOSED SESSION	High	High	Low	Dynamic	01/02/22	05/09/22	1	3	1		
89	Adequacy of financial resources (OPCC)	Critical	High	Medium	Static	09/02/22	06/09/22	3	0	3		
91	Loss of money invested on the money market	Critical	Low	Low	Static	16/02/22	24/06/22	3	0	3		
92	REDACTED CLOSED SESSION	Critical	Critical	High	Dynamic	14/02/22	05/09/22	3	2	3		
93	Inadequate financial resources to deliver service plans for period 01/04/2022 to 31/3/2023	Critical	Medium	Medium	Static	15/03/22	15/07/22	2	0	2		
94	REDACTED CLOSED SESSION	High	Medium	Negligible	Dynamic	22/02/22	02/09/22	4	4	4		
95	REDACTED CLOSED SESSION	High	High	Medium	Static	05/04/22	18/07/22	4	0	2	2	
96	Excess Demand within the Analysts Unit	High	High	Medium	Static	12/04/22	25/07/22	8	1	6	2	
97	Betsi Cadwaladr UHB Medical Requests	High	High	Medium	Dynamic	14/04/22	07/09/22	3	0	3		
98	REDACTED CLOSED SESSION	Critical	Critical	Medium	Dynamic	19/05/22	06/09/22	2	5	2		
99	REDACTED CLOSED SESSION	High	High	Low	Dynamic	13/06/22	15/08/22	4	0	3	1	
100	REDACTED CLOSED SESSION	High	Medium	Medium	Dynamic	08/03/22	28/07/22	0	0			
101	REDACTED CLOSED SESSION	Medium	Low	Negligible	Static	07/06/22	06/07/22	0	0			
102	REDACTED CLOSED SESSION	Medium	Medium	Low	Dynamic	01/09/22	01/10/22	6	0	6		

Joint Audit Committee

Meeting Date: 10 October 2022

Title;	Proposed Work Programme
Author:	Chief Finance Officer
Purpose of the report:	To agree the work programme
The report is provided to JAC for: (tick one)	<input type="checkbox"/> X Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> Ensures that the Committee is able to fulfil its duties in line with statutory deadlines, and that all of the Committee's responsibilities are discharged during the course of each year Feedback from the Joint Audit Committee, and have added the following items to be brought to future meetings: <ul style="list-style-type: none"> information management and compliance provision of internal audit service
Recommendations:	<ul style="list-style-type: none"> For members of the Committee to note which items are subject to a statutory deadline, and therefore the meetings have been arranged to fulfil those requirements. For members of the Committee to consider additional content which might be presented at future meetings. For the future work programme to be brought to each meeting, outlining the work for the forthcoming twelve months on a rolling basis.
Risk register impact:	One of the purposes of the Committee is to provide assurance to the Police and Crime Commissioner and the Chief Constable that financial and non-financial risks are being managed effectively.
Assurance implications:	The purpose of Joint Audit Committee is to provide assurance to the Police and Crime Commissioner and the Chief Constable, in line with the Terms of Reference. The work programme helps to ensure that all relevant areas are presented to the Committee.
Equality Impact:	<p>Equalities legislation was taken into account when recruiting the independent members of the Joint Audit Committee.</p> <p>There is a Joint Equalities' Scheme in place.</p>
Information exempt from disclosure:	None.

JOINT AUDIT COMMITTEE

10 OCTOBER 2022

PROPOSED WORK PROGRAMME

Report by the Chief Finance Officer

1. INTRODUCTION

- 1.2 The Joint Audit Committee has been provided with a programme of work annually during the July meeting. This ensures that the Committee is able to fulfil its duties in line with statutory deadlines, and that all of the Committee's responsibilities are discharged during the course of each year.
- 1.3 In addition, items to be presented to the Joint Audit Committee are identified by various means – by officers, staff or the Committee members. These have been added to the work programme on a less formal basis, and are added to the agenda as appropriate.
- 1.4 Policing is an ever-changing environment. While it remains vital that the Joint Audit Committee carry out certain tasks by key dates, presenting the work programme only once each year is inflexible, and does not document sufficiently when newly-identified items are to be presented to the committee. Therefore, at the meeting held on 9 March 2020, the Committee proposed that the work programme be discussed at the end of each meeting.
- 1.5 This report, therefore, includes the proposed work plan for the next twelve months. Where the meeting date has not yet been finalised, the month of the meeting is shown for guidance.

2. RECOMMENDATIONS

- 2.1 For members of the Committee to note which items are subject to a statutory deadline, and therefore the meetings have been arranged to fulfil those requirements.
- 2.2 For members of the Committee to consider additional content which might be presented at future meetings.
- 2.3 For the future work programme to be brought to each meeting, outlining the work for the forthcoming twelve months on a rolling basis.

3. WORK PROGRAMME

- 3.1 With the exception of items timetabled the meet statutory deadlines, the work programme is flexible; therefore, additional items may be added should a need arise.
- 3.2 There are a number of standing agenda items currently scheduled for each meeting. These will remain on the JAC agenda until further notice:

Date of Meeting	Work Programme 2022/23
All (Until Further Notice)	<ul style="list-style-type: none"> • Business Update • HMICFRS Update (incorporated above unless significant) • Internal Audit Update • Risk Update • Organisational changes • Roadmap to 2025 • Efficiency plans (twice a year) • ICT Digital Update • Work Programme

The work programme asides from the standing agenda items outlined above are as follows:

Date of Meeting	Work Programme 2022/23
October 2022	<ul style="list-style-type: none"> • All Wales JAC informal meeting
November 2022	<ul style="list-style-type: none"> • Risk Management – Establish a shared understanding of force and member processes and needs
8 December 2022	<ul style="list-style-type: none"> • Audit Wales – Value for Money and Annual Audit Report (Management Letter) • Risk deep dive: FCIN • Risk deep dive: End of Life Application • Briefing deep dive: Sustainability & Decarbonisation • Briefing deep dive: Ethics update • Briefing deep dive: Capital Programme – Update • Governance update • Treasury Management Performance • Legal report
28 March 2023	<ul style="list-style-type: none"> • Capital Strategy (including the Treasury Management Strategy) <i>to be approved before 1 April 2023</i> • Governance update – including draft AGS; Audit Wales – annual plan • Risk deep dive: FCIU • Risk deep dive: Attracting staff to apply for key roles in NWP • Briefing deep dive: ICT Resilience • JAC Annual Report - draft report and discussion
June 2023	<ul style="list-style-type: none"> • Accounts Technical Briefing
27 July 2023	<ul style="list-style-type: none"> • ISA 260 and signing of accounts <i>to be signed by 31 July 2023</i> • Force Management Statement • Self-assessment and Annual report of JAC – final report • Risk Strategy & Risk Appetite Statement – Annual Review • Risk deep dive: Accreditation

	<ul style="list-style-type: none"> • Briefing deep dive: Agile working rollout • Briefing deep dive: Capital programme (outturn and forward look) • Treasury Management Performance • Legal report
28 September 2023	<ul style="list-style-type: none"> • Governance Update • HMICFRS Value for Money Profiles • Risk deep dive: ICT Target Operating Model • Briefing deep dive: Collaboration
7 December 2023	<ul style="list-style-type: none"> • Audit Wales – Value for Money and Annual Audit Report (Management Letter) • Risk deep dive: Cyber security • Risk deep dive: Unsupported systems • Briefing deep dive: SSF/SWAN/VAWG • Briefing deep dive: Ethics update • Briefing deep dive: Capital Programme - Update • Governance update • Treasury Management Performance • Legal report • HMICFRS Report – PEEL review
Other items to be discussed with JAC	<p>JAC Evaluation Action Plan – Ensure that dedicated and closed sessions are scheduled as required to progress the JAC Evaluation plan actions as required. This includes reviewing the effectiveness of assurance providers considering the provision of internal audit services specifically.</p> <p>Roll-out of IT Programme (monthly, outside of meetings)</p> <p>Meeting between Joint Audit Committee and Audit Wales</p> <p>Meeting between Joint Audit Committee and Internal Audit</p>

4. IMPLICATIONS

4.1	Equality	Equalities legislation was taken into account when recruiting the independent members of the Joint Audit Committee. There is a Joint Equalities' Scheme in place.
4.2	Financial	Planning the work for the forthcoming year reduces the need for ad-hoc meetings.
4.3	Legal	Legislation requires that a Joint Audit Committee be established. The functions of the Joint Audit Committee are summarised within its Terms of Reference , which has been prepared in accordance with <i>Audit Committees\Practical Guidance for local Authorities and Police - 2018 Edition (CIPFA)</i> .

		This work programme takes account of the statutory and practical requirements to fulfil these obligations.
4.4	Community	Meeting papers and minutes are published, and the meetings are open for the public to attend.
4.5	Risk	One of the purposes of the Committee is to provide assurance to the Police and Crime Commissioner and the Chief Constable that financial and non-financial risks are being managed effectively.
4.6	Police and Crime Plan	The role of the Joint Audit Committee is part of the overall Police and Crime Plan.

Report Author:

Kate Jackson
Chief Finance Officer, Office of the Police and Crime Commissioner

Audit of Accounts Report – Police and Crime Commissioner for North Wales and Chief Constable of North Wales Police

Audit year: 2021-22

Date issued: September 2022

Document reference: 3171A2022

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Contents

We intend to issue an unqualified audit report on your Accounts. There are some issues to report to you prior to their approval.

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Audit of Accounts Report

Introduction

- 1 We summarise the main findings from our audit of your 2021-22 statement of accounts in this report.
- 2 We have already discussed these issues with the Chief Finance Officer for the Police and Crime Commissioner and the Director of Finance and Resources for the Chief Constable.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set the levels for this year's audit as follows:

Exhibit 1: levels of materiality for this year's audit

	Police and Crime Commissioner	Chief Constable	Police Pension Fund
Income and Expenditure items and other balances	£2.587 million	£2.587 million	£0.980 million

- 5 There are some areas of the accounts that may be of more importance to the reader, and we have set a lower materiality level for these, as follows:
 - Remuneration report/senior pay disclosure and exit packages £1,000
 - Related parties – individuals £20,000
- 6 We have now substantially completed this year's audit.
- 7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this year's audit

- 8 The COVID-19 pandemic has had a continuing impact on how our audit has been conducted. We summarise in **Exhibit 2** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 2** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

Exhibit 2 – impact of COVID-19 on this year's audit

Timetable	<ul style="list-style-type: none">• The deadline for completing your draft accounts was 31 May 2022.• We received the draft accounts on 31 May 2022.• Due to the long-term impact of COVID on audit resources the audit window was extended, and we expect your audit report to be signed on 17 October 2022.
Electronic signatures	For approval and signing of the financial statements, we will accept electronic signatures and electronic transfer of files.
Audit evidence	<p>As in previous years, we received the majority of audit evidence in electronic format. We have continued to use various techniques to ensure its validity:</p> <ul style="list-style-type: none">• use of encrypted secure e-mails to share documents;• some information was verified to screen prints or to the live systems via screen sharing; and• video conferencing has enabled the audit team to correspond effectively with the finance team throughout the audit. <p>For testing of existence and ownership of assets we have used a combination of visual identification (where this was practical) access to our land registry tool and photographic evidence.</p>

Proposed audit opinion

- 9 We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with Letters of Representation based on those set out in **Appendices 1 and 2**.
- 10 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise, we issue an unqualified opinion.
- 11 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.
- 12 Our proposed audit report for both the Commissioner and the Chief Constable are set out in **Appendices 3 and 4**.

Significant issues arising from the audit

Uncorrected misstatements

- 13 Exhibit 2 sets out the misstatements we have identified in the financial statements, which have been discussed with management but remain uncorrected. We request that these are corrected. If you decide not to correct this misstatement, we ask that you provide us with the reasons in writing.

Exhibit 3 – Uncorrected misstatements

Note 12 Property, Plant and Equipment: Valuation of Land and Buildings

Audited bodies across all sectors are required to account for property, plant and equipment (PPE) in accordance with IAS 16 Property, Plant and Equipment.

The CIPFA Code of Practice on Local Authority Accounting allows audited bodies to adopt a valuation programme that values PPE over a 'short' period of time. A 'short period' is interpreted to mean that assets are normally revalued once every five years for each class of assets, provided that the carrying amount does not differ materially from that which would be determined using the current value at the end of the reporting period.

There have been significant movements in build costs and rental values during 2021-22 which have impacted on the values of assets held. This has led to audited bodies considering whether the carrying value of assets not revalued during 2021-22 remain materially correct.

The appointed external valuer for the Police and Crime Commissioner issued a 'Market Review' report for the 2021-22 period which indicated that changes in market conditions could impact on the carrying value of the Land and Buildings within the accounts:

- The valuation of rifle ranges, which are valued at depreciated replacement cost, has potentially increased by 40% due to the significant movements in build costs during 2021-22. This gives an increase in the valuation of £358,215.
- The valuation of police buildings, which are valued at existing use valuation, has potentially increased by 4% due to increase in market rents. This gives an increase in valuation of £1,323,913

The variances have been discussed with management, but the accounts remain uncorrected, resulting in the following misstatement:

- An understatement of £1,682,128 in gross land and building cost in Note 12.
- An understatement of £833,342 in gains posted to the revaluation reserve in Note 20.
- An overstatement of £490,580 net operating costs for the financial year.

There is no impact on the general fund balance.

Note 12 Property, Plant and Equipment: Nil Net Book Value Assets

Our review of the fixed asset register identified a significant number of assets which were fully depreciated but still included in the financial statements.

The inclusion of these assets within the accounts does not impact on the overall value of assets included in the balance sheet, however it is important that note 12 is a true reflection of operational assets.

Investigation by the finance team identified assets with gross book value and gross accumulated depreciation of up to £2,180,000 that may no longer be operational. Further work is to be undertaken in the current financial year to confirm the specific assets that require decommissioning within the balance identified. Any subsequent adjustments will be made in the 2022-23 accounts.

This has resulted in the following misstatement:

- Land and building gross cost overstated by up to £2,180,000 within Note 12.
- Land and buildings gross accumulated depreciation overstated by up to £2,180,000 within Note 12.
- There is no impact on the balance sheet.

Corrected misstatements

- 14 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention, and they are set out with explanations in **Appendix 5**.

Other significant issues arising from the audit

- 15 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There were no issues arising in these areas this year.

Recommendations

- 16 We intend to hold a post projection learning exercise with key staff to identify an action plan to further improve the accounts production and audit process for future years.

Appendix 1

Final Letter of Representation – Police and Crime Commissioner for North Wales

Audited body's letterhead

Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Date

Representations regarding the 2021-22 financial statements

This letter is provided in connection with your audit of the financial statements of the Police and Crime Commissioner for North Wales for the year ended 31 March 2022 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and CIPFA Code of Practice on Local Authority Accounting; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects the Police and Crime Commissioner for North Wales and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions, with the exception of those misstatements, which are detailed in Exhibit 3 of your Report on the Financial Statements 2021-22 and are summarised:

- Note 12 Property, Plant and Equipment: valuation of land and buildings:
 - An understatement of £1,682,128 in gross land and building cost in Note 12.
 - An understatement of £833,342 in gains posted to the revaluation reserve in Note 20.
 - An overstatement of £490,580 net operating costs for the financial year.
- Note 12 Property, Plant and Equipment: Nil Net Book Value Assets:
 - An overstatement of £2,180,000 in land and building gross cost within Note 12.
 - An overstatement of £2,180,000 in land and buildings gross accumulated depreciation within Note 12.

We have chosen not to amend these misstatements for the reasons noted below:

- Note 12 Property, Plant and Equipment: valuation of land and buildings

Land and Building assets are formally valued on a 5 year cycle. In previous years potential variations in the carrying value due to the timing of valuations have been insignificant. In 2021-22, due to the volatility of certain Land and Building valuations, the above estimates have been calculated for those Land and Buildings not included in the 2021-22 valuation. This estimated figure is not material within the accounts, and it is not considered to impact the understanding of the overall financial position. A full valuation will be considered for 2022-23, but this will result in additional costs against the revenue budget. The net % increases above show only an indication of the general direction of travel of assets values – in fact, the assets that were actually valued in 2021-22 did not increase in their valuations significantly from their previous valuation. Implementing an indexation valuation method at this point in the accounting process, as opposed to the normal formal valuation, would cause technical issues as well as not following the stated accounting policies, which state:

 - ‘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’; and
 - it is considered that the figures in the accounts still meet this requirement as the sum is not material.
- Note 12 Property, Plant and Equipment: Nil Net Book Value Assets:

A total of £16.4 million Plant and Equipment assets that have fully depreciated as at 31 March 2022 were reviewed with the relevant departments. The review identified that assets with a value of £2.18 million may not be operational or had been replaced. A further review of these assets will be undertaken in 2022-23 to identify the actual amount to be decommissioned. The amount will be written off in 2022-23. This only affects the note and is not considered to affect the overall understanding of the overall financial position

Representations by the Police and Crime Commissioner for North Wales

I acknowledge that the representations made by management, above, have been discussed with me.

I acknowledge my responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. I approved the financial statements on 10 October 2022.

I confirm that I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information and to establish that it has been communicated to you. I confirm that, as far as I am aware, there is no relevant audit information of which you are unaware.

Signed by:

Chief Finance Officer to the Police and
Crime Commissioner

Signed by:

Police and Crime Commissioner for
North Wales

Date:

Date:

Appendix 2

Final Letter of Representation – Chief Constable of North Wales Police

Audited body's letterhead

Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Date

Representations regarding the 2021-22 financial statements

This letter is provided in connection with your audit of the financial statements of the Chief Constable of North Wales Police for the year ended 31 March 2022 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and CIPFA Code of Practice on Local Authority Accounting; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects the Chief Constable for North Wales Police and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Representations by the Chief Constable for North Wales Police

I acknowledge that the representations made by management, above, have been discussed with me.

I acknowledge my responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. I approved the financial statements on 10 October 2022.

I confirm that I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information and to establish that it has been communicated to you. I confirm that, as far as I am aware, there is no relevant audit information of which you are unaware.

Signed by:

Director of Finance and
Resources to the Chief Constable
of North Wales Police

Signed by:

Chief Constable of North Wales Police

Date:

Date:

Appendix 3

Proposed Audit Report of the Auditor General to the Police and Crime Commissioner for North Wales

The independent auditor's report of the Auditor General for 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 which comprises the Police and Crime Commissioner for North Wales and the Chief Constable of North Wales Police; and
- North Wales Police Pension Fund.

for the year ended 31 March 2022 under the Public Audit (Wales) Act 2004.

The Police and Crime Commissioner for North Wales financial statements comprise the Expenditure and Funding Analysis, 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 Expenditure and Funding Analysis, 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.

The North Wales Police Pension Fund financial statements comprise the Fund Account and Net Assets Statement.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

In my opinion the financial statements:

- give a true and fair view of the financial position 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 as at 31 March 2022 and of their income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

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 and the Police and Crime Commissioner for Wales' Group 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 12 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 2021-22; and
- the information given in the joint Annual Governance Statement of the Police and Crime Commissioner for North Wales and the Chief Constable for North Wales for the financial year for which the financial statements are prepared is consistent with the financial statements and the joint 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 Police and Crime Commissioner for North Wales, the Police and Crime Commissioner for North Wales Group 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 Police and Crime Commissioner for North Wales' Group financial statements and the North Wales Police Pension Fund, 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 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, the Police and Crime Commissioner for North Wales 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 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 areas: revenue recognition, posting of unusual journals and bias when calculating accounting estimates.
- Obtaining an 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's framework of authority as well as other legal and regulatory frameworks that the Police and Crime Commissioner for North Wales and the Police and Crime Commissioner for North Wales Group operate 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, the Police and Crime Commissioner for North Wales Group, and the North Wales Police Pension Fund.

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, the Joint Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- 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 members 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 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 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 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

Appendix 4

Proposed Audit Report of the Auditor General to the Chief Constable of North Wales Police

The independent auditor's report of the Auditor General for Wales

Opinion on financial statements

I have audited the financial statements of:

- Chief Constable of North Wales; and
- North Wales Police Pension Fund

for the year ended 31 March 2022 under the Public Audit (Wales) Act 2004.

The Chief Constable of North Wales' financial statements comprise the Expenditure and Funding Analysis, the Comprehensive Income and Expenditure Statement, the Balance Sheet, and the related notes, including a summary of significant accounting policies.

The North Wales Police Pension Fund 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 UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

In my opinion the financial statements:

- give a true and fair view of the financial position of the Chief Constable of North Wales and the North Wales Police Pension Fund as at 31 March 2022 and of their income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

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 of North Wales 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 of North Wales 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 12 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 2021-22; and
- the information given in the joint Annual Governance Statement of the Police and Crime Commissioner for North Wales and the Chief Constable for North Wales for the financial year for which the financial statements are prepared is consistent with the financial statements and the joint 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 Chief Constable of North Wales 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, and the North Wales Police Pension Fund, 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 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, the Chief Constable of North Wales and those charged with governance, including obtaining and reviewing supporting documentation relating to the Chief Constable of North Wales 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 areas: revenue recognition, posting of unusual journals and bias when calculating accounting estimates.
- Obtaining an understanding of the Chief Constable of North Wales and the North Wales Police Pension Fund's framework of authority as well as other legal and regulatory frameworks that the Chief Constable of 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 Chief Constable of North Wales and the North Wales Police Pension Fund.

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, the Joint Audit Committee and legal advisors 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 members 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 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 Councils 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 the Chief Constable of North Wales 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

Appendix 5

Summary of corrections to the draft financial statements of the Police and Crime Commissioner for North Wales (Group) and the Chief Constable for North Wales Police which do not affect the Police Fund Balance

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 4: summary of corrections made

Value of correction	Nature of correction in the Commissioner/Group accounts	Nature of correction in the Chief Constable's accounts	Reason for correction
Note 17 'Creditors and Deferred income' was amended: <ul style="list-style-type: none">Deferred income from £1,282,000 to £0	The adjustment was to correct the treatment of the PSCO grant that was received from the Home Office a number of years ago which is no longer considered repayable.	Not applicable as no impact on the Chief Constable's accounts.	To ensure the accounts fully comply with the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.
Note 8 'Earmarked reserves' was amended: <ul style="list-style-type: none">Neighbourhood policing reserve from £0 to £1,282,000	<p>The grant has not been fully utilised so has been set aside within a reserve for future use.</p> <p>The correction has impacted on the Group Expenditure and Funding Account, Group Comprehensive Income and Expenditure Statement, Group Movement in Reserves, Group</p>		

<p>Comprehensive Income and Expenditure Statement:</p> <ul style="list-style-type: none"> • Police Officers expenditure increased by £7,956,000. • Pension costs expenditure reduced by £7,956,000. <p>An adjustment has also been made to the prior year disclosure:</p> <ul style="list-style-type: none"> • Police Officers expenditure increased by £7,782,000. • Pension costs expenditure reduced by £7,782,000. <p>There is no impact on the reported Net Cost of Services.</p>	<p>Balance, Group Cash Flow Statement and supporting notes.</p> <p>The correction has increased the overall Net Assets and Total Reserves.</p> <p>The amendment was to correct the miss-posting of IAS19 transactions against Pensions on the face of the Comprehensive Income and Expenditure Statement when they should have been posted to Police Officers.</p>	<p>The amendment was to correct the miss -posting of IAS19 transactions against Pensions on the face of the Comprehensive Income and Expenditure Statement when they should have been posted to Police Officers.</p>	<p>To ensure the accounts fully comply with the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.</p>
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We welcome correspondence and
telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.



JOINT AUDIT COMMITTEE
10 October 2022
Statement of Accounts 2021-2022
Report by the Chief Constables' and Police and Crime Commissioners' Chief Finance Officers



1. Background

- 1.1 The Police Reform and Social Responsibility Act 2011 established the Police and Crime Commissioner and the Chief Constable as corporations sole from 22 November 2012. In practice this means that the two corporations sole are required to produce their own single Statement of Accounts in accordance with the Code of Practice on Local Accounting (the Code) and relevant International Financial Reporting Standards (IFRS). In addition the Police and Crime Commissioner is also required to produce a set of Group Accounts.
- 1.2 The Statements have been produced in accordance with the Code, relevant legislation and the guidance available. Two documents have been produced, namely:
 - The North Wales Police and Crime Commissioner Group and Single Entity Accounts 2021-2022. These include the Group accounts and also the Police and Crime Commissioner's single entity accounts.
 - The North Wales Police Chief Constable's Accounts 2021-2022. These contain the Chief Constable's single entity accounts and also the Police Pension Account 2021-2022.
- 1.3 Copies of both documents are provided separately.

2. Process for completing the 2021-22 Statement of Accounts

- 2.1 The Accounts and Audit (Wales) Amendment 2018 requires the responsible financial officer to sign and date the statement of accounts and certify that it presents a true and fair view of the financial position of the body at the end of the financial year by no later than 31 May of that year. The responsible financial officer is then required to re certify the statement before it is approved and published with the relevant auditor's certificate, opinion or report in order to publish the statement by the 31 July of that year.
- 2.2 The revised timetable introduced by the amendment above brought the initial date and the final date forward, reducing the overall timescale by 2 months. The 2018-2019 accounts were the first year where these dates applied, and the benefits of being able to move on to other work earlier in the year were significant.
- 2.3 The time table, content and processes adopted for 2021-2022 were all affected by the COVID pandemic in a similar way to 2020-2021. The draft statements were produced and certified by the responsible officers by the end of May 2022, however due to an extended timetable in auditing the Health Service accounts Audit Wales were unable to commence their audit work in time to meet the 31 July deadline.

- 2.4 Following discussion with Audit Wales and the Joint Audit Committee members, a revised timetable was set with 10 October being the set date to approve the accounts. This followed guidance provided by the Welsh Government outlining that this was acceptable provided that the required notices were made and that the draft accounts were published as draft by the end of July. Both requirements were met, as well as moving the date set for the local government electors to be able to question the Auditor General to 19 September with the accounts being available for inspection for 20 days prior to this date.
- 2.5 Processes were amended during the preparation and audit period and subsequently to reflect that Finance staff and Auditors were performing their duties from home in the vast majority of instances, making use of remote working and on line meetings and data sharing where necessary to ensure effective communication took place.
- 2.6 Some issues have emerged since the original draft accounts were produced at the end of May 2022 resulting in change to the content and presentation of the accounts. These are detailed in Section 4.
- 2.7 Feedback from JAC members regarding the 2021-22 Statement of Accounts have also been taken into account building on the changes made in the previous accounts to aid understanding of the accounts.
- 2.8 Due to the technical nature of the accounts and the statutory override to normal accounting requirements within local government accounting, enhancing their user-friendliness remains challenging. However, the intention would be to continue to develop this aspect annually without compromising on their delivery to the appropriate deadlines.
- 2.9 The following outlines some of the key events feeding into the production of the revised statements
- 31.05.2022: Draft accounts signed and sent to Wales Audit team.
 - 20.06.2022: Audit fully commenced
 - 21.06.2022: Technical Briefing delivered to JAC members.
 - 28.07.2022: Audit Committee held including an update on the accounts.
 - 22.09.2022: Revised draft set of accounts issued to with agreed amendments sent to Wales Audit

3. Content of the Statements

- 3.1 Both Statements contain a Narrative Report that covers requirements as per the Code. These are not repeated in this report but the key headings – having been developed in conjunction with the Joint Audit Committee and a review of good practice in other Policing organisation's - include:
- Introduction
 - Governance and Responsibilities
 - Strategic Priorities
 - Operational Performance

- Corporate Risk
- Financial Performance 2021-22
- Reconciliation of Funding to GAAP
- Reserves Provisions and Sources of Funding
- Future outlook
- Accounting policies
- Collaboration with other bodies
- Events after the reporting period
- Explanation of the prime statements

3.2 The Statements of Accounts in Local Government are highly technical documents. The combination of the accounting requirements, together with the Statutory and Regulatory overrides (to ensure that the way the accounts are prepared does not cause additional costs to the public) results in a complicated set of Statements. The added requirements of two single entities and a set of Group accounts further adds to this complexity.

3.3 The approach taken in North Wales, following discussions with CIPFA's Police Finance Network, the other Welsh Forces and the Wales Audit Office reflects the reality of the arrangements. The result of this is that the cost of Policing is shown in the Chief Constable's Comprehensive Income and Expenditure Account. The format of this statement changed in 2016-2017 as it is required by the Code to be prepared in accordance with management reporting i.e. based on subjective analysis.

3.4 The Expenditure and Funding Analysis (EFA) shows the annual expenditure and how it is funded to illustrate the end of year position and overall impact upon the use of usable reserves for the year.

3.5 The other prime statements follow on from the EFA. The Chief Constable now has a limited Balance Sheet, Movement in Reserves and Cash flow statement from the introduction of the Expenditure and Funding Analysis. These contain the unusable reserves in relation to the net Pension asset/liability and the Accumulated Absence Account. The notes to the Statements then follow from what is included in the prime statements.

4. Summary of changes to the final draft and Management response to Wales Audit Report

4.1 The Auditor General intends to give an unqualified opinion on both Statements of Accounts as set out in his report. There are two uncorrected misstatement which is detailed below.

4.2 Uncorrected misstatements

Property, Plant and Equipment: Valuation of Land and Buildings

'Audited bodies across all sectors are required to account for property, plant and equipment (PPE) in accordance with IAS 16 Property, Plant and Equipment.'

The CIPFA Code of Practice on Local Authority Accounting allows audited bodies to adopt a valuation programme that values PPE over a 'short' period of time. A 'short period' is interpreted to mean that assets are normally revalued once every five years for each class of assets,

provided that the carrying amount does not differ materially from that which would be determined using the current value at the end of the reporting period.

There have been changes in market conditions over the past year which have impacted on the values of assets held and which has led to audited bodies considering whether the carrying value of assets not revalued during 2021-22 remain materially correct.

The appointed external valuer for the Police and Crime Commissioner issued a 'Market Review' report for the 2021-22 period which indicates that changes in market conditions could impact on the carrying value of the Land and Buildings within the accounts:

- The valuation of rifle ranges, which are valued at depreciated replacement cost, has potentially increased by 6% due to the significant movements in build costs during 2021-22. This gives an increase in the valuation of £876,000.*
- The valuation of police buildings, which are valued at existing use valuation, has potentially increased by 4% due to increase in market rents. This gives an increase in valuation of £1,337,000*

No formal valuation has been undertaken for the assets in consideration.

This has been discussed with management, but remains uncorrected, resulting in the following misstatement:

- An understatement of £2,213,000 in gross land and building cost in Note 12.'*

Response – Land and Building assets are formally valued on a 5 year cycle. In previous years potential variations in the carrying value due to the timing of valuations have been insignificant. In 2021-22, due to the volatility of certain Land and Building valuations, the above estimates have been calculated for those Land and Buildings not included in the 2021-22 valuation. This estimated figure is not material within the accounts, and it is not considered to impact the understanding of the overall financial position. A full valuation will be considered for 2022-23, but this will result in additional costs against the revenue budget. The net % increases above show only an indication of the general direction of travel of assets values – in fact, the assets that were actually valued in 2021-22 did not increase in their valuations significantly from their previous valuation. Implementing an indexation valuation method at this point in the accounting process, as opposed to the normal formal valuation, would cause technical issues as well as not following the stated accounting policies, which state:

'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'

It is considered that the figures in the accounts still meet this requirement as the sum is not material.

Note 12 Property, Plant and Equipment: Nil Net Book Value Assets

Our review of the fixed asset register identified a significant number of assets which were fully depreciated but still included in the financial statements.

The inclusion of these assets within the accounts does not impact on the overall balance sheet, however it is important that note 12 is a true reflection of operational assets.

Investigation by the finance team identified assets with gross book value and gross accumulated depreciation of £2,180,000 that may no longer be operational. Further work is to be undertaken within 2022-22 to confirm all assets that require decommissioning with the adjustment to be made within the 2022-23 accounts.

This has resulted in the following misstatement:

- *Plant and Equipment gross cost overstated by £2,180,000 within Note 12.*
- *Plant and Equipment gross accumulated depreciation overstated by £2,180,000 within Note 12.*
- *No impact on balance sheet disclosures*

Response – A total of £16.4m of Masts, Plant and Equipment assets that have fully depreciated as at 31.3.2022 were reviewed with the relevant Departments, of these assets to the value of £2.18m were identified as not being used or having been replaced. These will be written off in 2022-23 and a review of any further assets that have been replaced or not in use be conducted. This only affects the note and is not considered to affect the overall understanding of the overall financial position.

4.3 Corrected misstatements

There have been other corrections and clarifications stemming from the audit and review by JAC members including a number discussed or proposed during the technical briefing session. These were mainly technical in nature or movements between notes; the movement in usable reserves is affected by one of the amendments, although this is technical in nature as the amount is moved from one line on the balance sheet to the reserves, the transaction has to be put through the revenue account. These are briefly summarised below and are covered in Appendix 5 of the auditor's report:

- Further clarification to the Narrative report and Annual Governance Report.
- The sum of £1.282m has been moved from creditors to reserves. This relates to a grant from the Home Office which related to PCSOs. As all the grant conditions have been fulfilled and no amount is now repayable to the Home Office, the sum has been transferred to a new Neighbourhood Policing Reserve. This may be used to manage short notice changes to the current Police Community Support Officer Grants, or to fund other one-off Neighbourhood Policing requirements.
- The IAS19 transactions for Pensions are complex in nature involving numerous journal entries, which in essence replace the real costs within the accounts (the employer contributions) with the actuaries estimated Pension cost transactions. These are then reversed within the MIRS. It was discovered that one of these transactions was being charged to Pensions costs and should have been

Police Pay costs, as with all Police Pension figures the sum was large at £7.956m, a correction of this amount has been made between the Pension costs and Police Pay costs on the CIES.

- Other small changes on various notes to add clarification have also been made.

5. Recommendations

- For members of the audit committee to note the contents of this report in accordance with the duties of the committee established in the terms of reference, specifically to review the annual statements of accounts and annual governance statements.

And to resolve:

In accordance with its Terms of Reference, the Joint Audit Committee has reviewed the Annual Financial Statements for the year ended 31 March 2022 of the Police and Crime Commissioner and Chief Constable and has considered the external auditor's reports thereon. The Joint Audit Committee confirms that there are no unresolved matters arising that require to be reported to the Police and Crime Commissioner and Chief Constable, prior to their approval of the respective Annual Financial Statements.

6. IMPLICATIONS

6.1	Equality	The Chief constable and Police and Crime Commissioner operate with regard to the principles established within the Joint Equality Plan
6.2	Financial	The aim of this report is to present to the committee the statement of accounts of both corporations sole
6.3	Legal	The statements of accounts meet the required standards, as outlined within the report
6.4	Community	The statements of accounts are published on the Commissioners website. A public notice has been issued under Sections 29, 30 and 31 of the Public Audit (Wales) Act 2004, stating that from 27 July to 24 August 2021 members of the public may inspect and make copies of the accounts and from 1 September ask questions of the appointed Auditor
6.5	Risk	Risk management procedures are in place and have been considered separately by the committee as part of the overall governance arrangements. Financial risks are contained within the statement of accounts
6.6	Police and Crime Plan	The Police and Crime Plan is considered at the start of the financial planning cycle to ensure that delivery of the plan is achievable within a sustainable budget

Joint Audit Committee

Meeting Date: 10 October 2022

Title:	Joint Governance Board
Author:	Kate Jackson, Chief Finance Officer
Purpose of the report:	Update
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> X Information
Summary / Key Points:	<ul style="list-style-type: none"> • A member of JAC was in attendance at the meeting held on 9 September 2022. • The board was updated on: <ul style="list-style-type: none"> ○ Final accounts 2021/22: <ul style="list-style-type: none"> ▪ Narrative report ▪ Annual governance statement ▪ Progress of audit ○ Approach to final accounts 2022/23 ○ Audit recommendations ○ Recommendations from Joint Audit Committee
Recommendations:	<ul style="list-style-type: none"> • For members of the Joint Audit Committee to note the work of the Joint Governance Board. • For members of the Joint Audit Committee to be aware that they have a standing invitation to attend Joint Governance Board, and that meeting papers and minutes will be provided to them on request.
Risk register impact:	The way risk is managed is integral to good governance and is considered within the Governance Framework
Assurance implications:	<p>The Joint Governance Board is to oversee changes to assurance arrangements following the Governance Review undertaken in 2019/20.</p> <p>The Joint Governance Board is to oversee any future changes to the Manual of Governance.</p>
Equality Impact:	None
Information exempt from disclosure:	None



JOINT AUDIT COMMITTEE

10 October 2022

Joint Governance Board

**Report by the Police and Crime Commissioner's
Chief Finance Officer**



1. Background

- 1.1. A Joint Governance Board was originally formed in 2014 to document the governance arrangements in both the Office of the Police and Crime Commissioner and North Wales Police Force.
- 1.2. The Board meets four times each year, and a work programme has been prepared.
- 1.3. Members of the Joint Audit Committee have a standing invitation to attend the meeting; the Chair of the Committee attended on 22 June 2022 and contributed at the meeting.

2. Recommendations

- 2.1. For members of the Joint Audit Committee to note the work of the Joint Governance Board.
- 2.2. For members of the Joint Audit Committee to be aware that they have a standing invitation to attend Joint Governance Board, and that meeting papers and minutes will be provided to them on request. Future meeting dates are:
 - 9 November 2022 at 10am
 - Dates for 2023 are being arranged

3. Work of the Joint Governance Board

- 3.1. At the meeting held on 9 September 2022, the following were discussed:

3.1.1. Statutory accounts

The 2021/22 accounts were due to be signed off by the end of July, in line with the statutory timetable. However, due to resourcing issues, they will be signed off following the Joint Audit Committee meeting on 10 October 2022, which has been mutually agreed.

The narrative report and annual governance statement have been updated to incorporate comments received from Joint Governance Board and Joint Audit Committee. The Annual Governance Statement must reflect the position on the date it is signed, and therefore remains “open” until 10 October 2022.

The Finance Department have been able to prepare draft accounts by 31 May (in line with the statutory timetable) consistently since the earlier dates were introduced. The board agreed to feedback to Audit Wales that arrangements should be made to enable to 2022/23 accounts to be signed off by the end of July 2023; this will improve the force's and PCC's financial planning process, by ensuring that accounting staff are able to focus on this vital task.

The Corporate Governance and Policy Lead plans to observe some meetings over the next year, to be able to gain additional assurance of their effectiveness.

3.2.2 There were no changes to the governance structure to report. However, this area remains under constant review.

3.2.2 Review of internal and external recommendations

An update was provided of reports received from TIAA, and progress on actions from previous report.

3.2.3 Review of publications from internal audit

All actions arising from these have been completed and closed. The Director of Finance and Resources noted that many of these relate to cyber-security, and the requirement to ensure this area continues to be appropriately resourced.

3.2.4 Recommendations from Joint Audit Committee

There was a discussion about risk management, and the most appropriate way to report this to Joint Audit Committee. A meeting is being arranged to take place in November 2022, which aims to improve mutual understanding between risk management staff and Joint Audit Committee members.

3.3 Members of the Joint Audit Committee will be able to access papers, including minutes and actions from the most recent meeting, via the G-drive. The next meeting will take place on 9 November 2022.

4. IMPLICATIONS

4.1	Equality	The Police and Crime Commissioner and Chief Constable operate with regard to the principles established within the Joint Equality Plan.
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4.2	Financial	The way finances are managed is integral to good governance. The financial policies and the monitoring of financial systems and performance are considered within the Governance Framework.
4.3	Legal	It is a legal requirement to publish Annual Governance Statements for the Police and Crime Commissioner and Chief Constable alongside the Statements of Accounts each year. One purpose of the Joint Governance Board is to record the governance activities for both corporations sole (and ensure any concerns are addressed) in order that the Annual Governance Statements can be prepared accurately and in a timely manner.
4.4	Community and Social Value	Environmental policies, outcomes and engagement (and the monitoring of these) are considered within the Governance Framework. This includes the Wellbeing of Future Generations (Wales) Act 2017.
4.5	Risk	The way risk is managed is integral to good governance and is considered within the Governance Framework.
4.6	Police and Crime Plan	The objectives within the Police and Crime Plan are fundamental to both corporations sole. The way this is monitored is considered within the Governance Framework.

Report Author

Kate Jackson

Chief Finance Officer, OPCC

Reference: ME/MJP/NWPCC

Date issued: September 2022

Auditor General Rotation Policy

The Auditor General's rotation policy is in line with the Auditing Practices Board Ethical Standards.

Ethical Standard 3 '*Long association with the audit engagement*' identifies the long association of senior audit staff with an engagement as an issue which may influence independence and therefore pose a threat to the audit firm's objectivity.

The standard identifies the rotation of the senior members of the engagement team after a pre-determined number of years as a safeguard to mitigate any threats to objectivity.

The Auditor General's Rotation Policy specifies the maximum period senior support staff, which includes Audit Managers, should remain on a single audit engagement. Regardless of the number of years the Audit Manager has been resourced to an audit, during the initial planning of the audit the Engagement Lead considers whether continued association with an audit engagement may create threats to the Audit Manager's or the Auditor General's objectivity or a perceived loss of independence.

In addition to the annual independence assessment undertaken during initial planning of an audit, the Auditor General has set out specific limits as follows:

- Absolute maximum period an Audit Manager should be resourced to an audit is 10 years.
- At each annual assessment, from the first year of association to the fifth year of association (inclusive), the presumption will be that unless there are identified threats to the Audit Manager's or the Auditor General's objectivity or perceived loss of independence that cannot be appropriately mitigated, the Audit Manager will continue with the engagement.
- After six years of association, the presumption will be that the Audit Manager **may** be rotated due to the length of association alone even if there are no other identified threats to objectivity or independence.
- After eight years of association, the presumption will be that the Audit Manager **will** be rotated due to the length of association alone even if there are no other identified threats to objectivity or independence unless there are overriding operational reasons for the Audit Manager to remain in place.

Joint Audit Committee

Meeting Date: 10/10/2022

Title:	OPCC Communications and Engagement Strategy – March 2022-April 2023
Author:	Matthew Evans, Head of Communications and Engagement
Purpose of the report:	
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none">• Target audience of OPCC communications.• The strategy, how it relates to the Police and Crime Plan, and plans for different communications activities.• Methods and channels for OPCC communications.• Measurement of successful communications.
Recommendations:	To approve the plan for implementation
Risk register impact:	N/A
Assurance implications:	N/A
Equality Impact:	N/A
Information exempt from disclosure:	N/A

Joint Audit Committee

Meeting Date:

Title:	Corporate Communications Strategy – North Wales Police
Author:	Sue Appleton – Head of Corporate Communications
Purpose of the report:	To provide an overview of Corporate Communications Strategy and process taken to adopt forcewide.
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> X Information
Summary / Key Points:	<p>The document outlines the Force approach to communications and engagement to support the vision of making North Wales the safest place in the UK.</p> <p>The document was also one of the first to go through a new approval process encompassing all service areas and was therefore subject to additional scrutiny before final approval.</p>
Summary of Governance Process followed:	Forcewide consultation; Assurance Board; Senior Leadership Team. As a working document it will sit with the Senior Management Board.
Recommendations:	For members of the JAC to note the report and approval process.
Risk Register Impact:	None
Assurance Implications:	None
Equality Impact:	None
Information Exempt from Disclosure:	