

**HEDDLU  
GOGLEDD CYMRU  
NORTH WALES  
POLICE**

## JOINT AUDIT COMMITTEE

**1pm – 28 March 2024**  
**Face-to-Face & Online by Microsoft Teams**

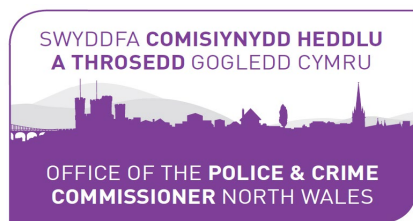
### AGENDA

#### 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 Chief Superintendent Simon Williams – Corporate Services	James Sutton – Head of Business Intelligence/Chair of Assurance Board Vicci Holbrook Hughes – Chair of Ethics Committee Kerrie Ambrose – Corporate Head of Change/Vice Chair of Ethics Committee Chair of Ethics Committee Gethin Jones - Corporate Head of Corporate Services
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	<b>Apologies &amp; Declaration of Interest</b>	Chair			
2	<b>Minutes of the last meeting</b> The Chair shall propose that the minutes of the meeting held on 7 December 2023	Chair		3-9	5 Mins
3	<b>Actions Log</b>	Chair		10-29	5 Mins
	<b>Standing Items</b>				

4	<b>Organisational Update</b>	Chief Executive Officer & Director Finance and Resources	Information	30-34	5 Mins
5	<b>HMIC Update</b>	Chief Superintendent Corporate Services	Assurance	35-44	20 Mins
6	<b>Internal Audit</b> a. Internal Audit SICA 2023/24 b. Management Report	a. Internal Audit b. Director Finance & Resources / Budget Officer	Assurance	45-54 44-78	10 Mins
7	<b>Risk Update</b> - Risk Process Development & Current Risk Register - Assurance Mapping - OPCC Risk Register	Head of Business Intelligence  Chief Executive Officer/Chief Finance Officer	Assurance	79-87	10 Mins
8	<b>Work Programme for 2023/24</b>	Director Finance and Resources and Chief Finance Officer	Decision	88-93	5 Mins
	<b>Substantive Items</b>				
9	<b>Audit Wales – Value for Money and Annual Audit Report (Management Letter)</b>	Wales Audit Office	Assurance	94-102	10 Mins
10	<b>Capital Strategy – (including the Treasury Management Strategy)</b>	Head of Finance	Assurance	103-128	10 Mins
11	<b>Governance Update – incl draft AGS</b>	Chief Finance Officer	Information	129-133	5 Mins
12	<b>Sustainability Update</b>	Environment/Energy Conservation Manager	Assurance	134-150	20 Mins
13	<b>Ethics Update</b>	Vice Chair of Ethics Committee & Corporate Head of Corporate Services		150-166	
	<b>AOB (Advise the chair ahead of the meeting)</b>				
	<b>DATES OF FUTURE MEETINGS</b> 30 July 2024 26 September 2024 31 October 2024 (prov Accounts signing) 28 November 2024				
		<b>TOTAL</b>			



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NORTH WALES  
POLICE**

## JOINT AUDIT COMMITTEE

Conference Room 1, FHQ Colwyn Bay and on-line through Teams  
7 December 2023 at 13:00

### PRESENT

#### JOINT AUDIT COMMITTEE:

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

#### FORCE OFFICERS:

Seb Phillips – Director of Finance & Resources  
Guto Edwards - Head of Finance  
Helen Williams - Financial Control Accountant  
Anne Matthews - Finance & Budgets Officer  
Wendy Lloyd – Financial Accountant  
Chief Superintendent Simon Williams – Corporate Services  
James Sutton – Head of Business Intelligence  
Phil Kenyon – Force Solicitor (Item 13 only)  
Helen Wynne-Williams – Head of Technology  
Kerrie Ambrose – Corporate Head of Change  
Hayley Gallienne – Head of Information Assurance

#### OFFICE OF THE POLICE AND CRIME COMMISSIONER:

Andrew Dunbobbin – Police and Crime Commissioner  
Wayne Jones – Deputy Police and Crime Commissioner  
Stephen Hughes – Chief Executive Officer  
Kate Jackson – Chief Finance Officer  
Amanda Hanson – Commissioning Manager (Item 15 only)  
Angharad Jones – Executive Assistant (minutes)

#### OTHER ATTENDEES

Helen Cargill, TIAA  
Michelle Phoenix, Audit Wales

### 1. APOLOGIES AND DECLARATIONS OF INTEREST

No apologies received and no declarations of Interest.

## 2. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 28 September 2023 were agreed as a true record of the meeting.

## 3. ACTION LOG

The Action Log was updated and will be circulated with the minutes. Actions recommended closed and agreed closed were: 27/7/2023 - 6b, 10, 13, 28/09/2023 - 6a, 6b, 6c, 8a, 8b, 12.

## 4. ORGANISATIONAL UPDATE

The Joint Audit Committee noted the updates from the reports provided by the Office of the Police and Crime Commissioner and North Wales Police. Updates were provided on the work undertaken since the last Joint Audit Committee meeting in July with questions asked and answered outside of the meeting.

Chief Executive Officer noted that one question has still to be answered and this update will be circulated to members outside of the meeting.

Action 4	Chief Executive to circulate answer to remaining organisational update question to JAC members outside of the meeting.
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## 5. HMICFRS UPDATE AND ACTION TRACKER

Joint Audit Committee noted the update provided within the paper and that work remains ongoing in evaluating the force's position against the PEEL 2024 Assessment Framework.

JAC member queried Use of Forms position for the force.

Chief Superintendent Corporate Services explained that this is done by looking at arrest numbers and the number of Use of Force forms received as theoretically every arrest should have a Use of Force form. If big difference between these two numbers, this raises alarm and this is what has happened here in North Wales.

JAC member stated that it was noted that there was not enough capacity within the referral unit and asked whether this issue had been resolved.

Chief Superintendent Corporate Services noted that additional resources have been placed in the referral unit and timelines have reduced significantly. It was noted that the unit is now in a much stronger position and can demonstrate this.

JAC member also noted that the force did not regularly record learning in relation to serious and organised crime, even though this was given as an area for improvement in 2016.

It was noted that this action point had not been identified from the last audit and was therefore not acted upon. The Force is now looking at this and work is being undertaken to ensure that learning is captured.

JAC members asked that fewer acronyms are used within the document as it makes it difficult to read and requested that timelines were included within the paper to enable members to easily see what was happening.

Action 5	Chief Superintendent Corporate Services to ensure that fewer acronyms are used within the HMICFRS Update paper and also to include timelines for actions.
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## 6. INTERNAL AUDIT

### a. INTERNAL AUDIT SICA 23-24

Joint Audit Committee noted the update provided within the paper which provides an update on progress made against the 2023-24 Annual Plan as of 15<sup>th</sup> November 2023.

Three audits have been finalised since last Joint Audit Committee meeting with no issues arising. Further work ongoing and many audits will be issued shortly. A few audit dates need to be finalised and one audit (ICT Infrastructure Review) likely to be deferred to 2024/25 but expect to complete the remainder of the plan by the end of March 2024.

Director of Finance and Resources stated that the HR Absence Management audit recommendations have been delayed but work is being undertaken and the governance structure worked through. This is an area where Director of Finance & Resources has been working closely with colleagues. Concern on slow progress but can assure members that matters are being taken forward.

Finance and Budgets Officer noted that the ICT Infrastructure audit had been delayed as ICT auditors have only recently received their vetting clearance and by 2024/25 the plan would be better developed.

Chair noted that JAC had approved the Annual Audit Plan and questioned whether changes to this plan would be presented to JAC for approval.

Director of Finance and Resources stated that changes would be reported to Joint Audit Committee, but some may be reported in retrospect. Any changes in audit dates will routinely feature within the Management Report presented to the Committee and asked if the Committee were happy with this approach.

Chair confirmed that members were happy with this approach.

### b. INTERNAL AUDIT OVERVIEW – MANAGEMENT REPORT

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

## 7. RISK UPDATE

Joint Audit Committee noted the update provided within the Risk Update paper as of 17 November 2023.

Head of Business Intelligence noted that the Risk Management received substantial assurance in their internal audit report and thanked the Risk and Business Continuity Lead for his hard work.

JAC member noted that the tables on the Force Risk Register actions were very green (on target) and asked whether the Force redates actions that go off track and they are therefore shown as green because they are redated actions or are all actions truly green.

Head of Business Intelligence to review and include within future papers to the Joint Audit Committee.

Action 7	Head of Business Intelligence to review whether all actions shown under “Force Risk Register Actions” within the paper are truly green or whether they have been redated. This information to be included within the next JAC paper.
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JAC member questioned why the Uplift risk was closed but was subsequently re-opened a short time later.

Head of Business Intelligence reported that the Force believed that they had dealt with the risk but was bought back onto the register and has reviewed by the Senior Management Team. The risk was closed as the Force had achieved its target number of uplift officers by 31 March 2023 and had secured its funding.

Maintaining the baseline target also has funding implications and therefore a risk was opened regarding maintaining the officer level moving forwards and that the new risk has slightly different wording to the previous risk.

## 8. WORK PROGRAMME FOR 2023/24

Joint Audit Committee noted the updated work programme presented and Chief Finance Officer noted that the programme was updated throughout the meeting with members comments.

Chief Finance Officer and Director of Finance and Resources understood that the Committee would like to see AI included within the work programme as the matter was raised in an off-line meeting between JAC members and officers.

Members enquired whether CGI have the technology and enough specialism in this area of work and asked for an update on how risk is being mitigated.

Head of Business Intelligence noted that this has been raised with regards to risk and ethics and the Force are currently looking at investment in this area. Bangor University have undertaken research on the public's view on AI especially with regards to policing.

Corporate Head of Change will cover at monthly meeting with JAC member in the first instance and bring to March Joint Audit Committee, but need to ensure that this area of work ties into the Committee's Terms of Reference.

Action 8a	Chief Finance Officer to include AI in the March Committee work programme.
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Chair asked that the work programme is updated to show which topics are mandated (have to discuss) and what items are linked to the Terms of Reference (want to do).

Action 8b	Chief Finance Officer to note on Work Programme whether items are mandated or linked to the Committee's Terms of Reference.
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## 9. **ISA260 AND SIGNING OF ACCOUNTS**

Audit Wales thanked the Finance Team for their hard work during the audit of the accounts. They plan to issue an unqualified audit opinion on the Police and Crime Commissioner group accounts, and the Chief Constable accounts once the signed letters of representation are received.

Two uncorrected misstatements have been noted but Audit Wales are comfortable in not amending these misstatement as they do not impact on the overall verification and are not considered to be material.

JAC member questioned if value for money had been considered as not included within the accounts.

Audit Wales stated that value for money would be noted in the Annual Audit Letter which has yet to be issued. This letter cannot be issued until the Auditor General has signed the accounts but can confirm that the work has been completed. The letter will be presented to the next Joint Audit Committee meeting in March 2024.

JAC member questioned whether having a late audit had impacted upon the Finance Team.

Head of Finance stated that it had been an extremely busy period and that the Team have had to balance dealing with the audit and accounts whilst also undertaking preparatory work for the 2024/25 budget but noted that all deadlines had been met.

Members and Chair thanked all parties for their hard work in achieving an unqualified set of accounts. The Joint Audit Committee resolved as follows:

**In accordance with its Terms of Reference, the Joint Audit Committee has reviewed the Annual Financial Statements for the year ended 31 March 2023 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.**

NOTE: The Police and Crime Commissioner, Chief Constable and all other parties will sign the accounts electronically outside of this meeting.

## 10. **CAPITAL PROGRAMME – UPDATE**

Joint Audit Committee members noted the content of the presentation shared during the meeting.

Head of Finance reported that the Capital Programme internal audit report had received substantial assurance with two areas of good practice noted. Capital programme has decreased and the internal audit report gave assurance that the correct governance procedures are in place.

It was noted that there has been some slippage this Financial Year, but the main estates capital project is now at tender and all confident that this project will go ahead but can't be sure of timings yet.

The Command and Control project has also been delayed but is now progressing. Body Worn video upgrade will also take place in the next financial year which means that there is a backlog of schemes.

The Force are in the process of updating the capital programme and have a realistic and deliverable programme for the next financial year.

## **11. TREASURY MANAGEMENT**

Joint Audit Committee noted the Treasury Management summary report which highlights the activities undertaken during 2023-24, it also states that there have been no limit or indicator breaches and details the investment of surplus cash and borrowing requirements.

The CIPFA Treasury Management in the Public Services' Code of Practice requires a report on performance of the Treasury Management function to be considered by Joint Audit Committee at least twice a year. There is also a new requirement in the revised 2021 Code. Mandatory from 1<sup>st</sup> April 2023, is the quarterly reporting of the treasury management prudential indicators. These are reported by exception to the Strategic Executive Board and the Strategic Management Board, and include non-treasury prudential indicators.

Head of Finance reported that interest rates are high at the current time and income from interest is projected to be £2.6m in this financial year.

JAC Member stated that some local authorities are chasing higher interest rates and noted that Northern Trust Corporation had been added to the counterparty list. Member had not heard of this company and asked if due diligence will be undertaken.

Head of Finance noted that due diligence is undertaken by Arlingclose before investment is made in any company and as this would be a new company, the Force would also do further checks.

JAC member enquired whether North Wales Police are compiling a list of organisations/authorities which they should not lend money to.

Head of Finance reported that again they would seek advice from Arlingclose as to who they should/should not be lending money to. Most investments are with Government departments and current interest rates received from the Debt Management Office are as good, if not better than other sources at present. It was also reported that the Force were unlikely to borrow any money in the near future.

## **12. GOVERNANCE UPDATE**

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

## **13. LEGAL UPDATE**



Joint Audit Committee noted the Legal Update which provided an overview of legal activity undertaken within the Force in the last six months and noted that there are no significant issues to report.

JAC member questioned the total number of claims received as Employers Liability for the last six months seem high and questioned the overall totals as they columns don't seem to add up correctly.

Force Solicitor stated that not all public/employers liability claims are settled in the same financial year as they were raised but will go back and look at the trends/figures of the last few years.

Action 13	Force Solicitor to investigate whether figures within Table 1 are correct and whether more public/employers liability claims have been received within the last financial year.
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14. **JAC BRIEFING – SAFER STREETS/SAFETY OF WOMEN AT NIGHT/VIOLENCE AGAINST WOMEN AND GIRLS**

The Commissioning Manager shared a presentation with Joint Audit Committee on the commissioning work and processes undertaken within the Office of the Police and Crime Commissioner. Commissioning Manager also highlighted what is considered when Commissioning services and explained that the Office of the Police and Crime Commissioner works in close partnership with a range of partners and that joint commissioning is very important and a good way forward.

JAC Member stated that the Commissioning Manager stated that the Office of the Police and Crime Commissioner undertake outcome-based commissioning and asked how the office measure if the streets have been made safer.

Commissioning Manager stated that the Home Office required data to evidence outcomes and that this can sometimes be a challenge as they commission preventative services. Data is sometimes available but if the data is not available it can't be presumed that the scheme has not worked. Local knowledge is sometimes used, and the training given also taken into consideration i.e. schools. Weekly reports are also received from the Force showing crime figures for particular areas and also measure public perception through public surveys.

15. **ANY OTHER BUSINESS**

There was no other business raised.

Chair wished all a Merry Christmas and a Happy New Year.

The next Joint Audit Committee meeting will be held on 28 March 2024 at 1pm as a hybrid meeting: in person at Conference Room 1, FHQ Colwyn Bay and over Microsoft Teams.

**JOINT AUDIT COMMITTEE  
ACTION LOG from 28/09/2023**

	Open
	Closed
	Deferred

**New/Open actions from March 2021**

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
28/03/2023	8	<b>Risk Update</b> - Head of Business Intelligence to share report on risk management review with members outside of the meeting.	Immediate	Head of Business Intelligence	<p>28/06/23 - The Terms of Reference for the Risk Management Review to be undertaken by Gallagher Bassett was shared with JAC via their Google Drive on 07/03/23.</p> <p>Since then, the Force have changed insurers to Maven and therefore this review will no longer be carried out by Gallagher Bassett.</p> <p>One of the disadvantages of moving Insurer is that the risk management assistance provided ran alongside our actual policy as an added value benefit. As we know from the last few years, RMP offered a number of free risk management days within the term of the contact and additionally a host of online webinar training programmes of smaller bite sized areas. Unfortunately, Maven are not set up in such a way as to offer the extensive offering that RMP did.</p> <p>The Force have however been offered by Maven a risk management fund of £2,500 under the Liability quotation.</p> <p>Risk and Business Continuity Lead is currently in the process of communicating via the Broker to Maven to see which areas of the original Gallagher Bassett Terms of Reference they may be able to progress and organise within the £2,500 budget. Maven have also suggested light training needs that they may be able to come up with and provide some in house advice without using the fund.</p> <p>A further update will be provided in due course.</p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
					<p>27/07/2023 – JAC member expressed disappointment that the review did not take place with Gallagher Bassett. Member asked if this was one of their contractual obligations and enquired how this review will not take place.</p> <p>Director of Finance and Resources stated that it was not a contractual obligation of Gallagher Basset and Head of Business Intelligence stated that there was no obligation for NWP to undertake this review and that this would be a 3<sup>rd</sup> level of assurance.</p> <p>JAC member stated that it would be extremely helpful to have this review undertaken ad the same questions still arise.</p> <p>Chair stated that this review should be undertaken as provides reassurance for all.</p> <p>T/Chief Superintendent Corporate Services noted that this was still work in progress and would see to find a preferred way forward.</p> <p>25/08/2023 - A verbal update will be provided by the Head of Business Intelligence in the meeting 28/09/23 on the Peer Review by South Wales Police.</p> <p>28/09/2023 – Has been agreed with South Wales and looking at dates in November. ToR being produced based on Gallagher Bassett template. JAC will see output and hope to table at December or March meeting but update can be provided outside of meeting.</p> <p>03/11/23 - Arrangements had been made for the Risk Manager of South Wales Police to visit North Wales Police on 17<sup>th</sup> November and undertake a Peer Review of our Risk Management processes. Unfortunately, on the 18<sup>th</sup> October we were informed that the SWP Risk Manager was “off work at present and will not be able to undertake the review as planned”.</p> <p>As soon as the SWP Risk Manager returns to work, I will make the necessary arrangements for the Peer Review to take place and continue to update members of JAC.</p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
					<p>07/12/2023 – JAC Member asked whether NWP would look for another Force to help with this work. Chief Superintendent Corporate Services noted that they will wait until early in the new year as person identified should be back in work. If this will not happen in the New Year will consider other options.</p> <p><b>21/02/24</b> - Risk and Business Continuity Lead stated that the Force were advised on 18/02/24 that the Risk Manager from South Wales Police is due to return on 25/03/24 on a phased approach so is not going to be able to undertake the peer review until the end of the year at the earliest.</p> <p>Peer Reviews across all Forces has been raised by Neil Ackers at the NPCC National Risk Management Forum (NRMF) which is attended by all Force Risk Managers. There was consensus that this is a good idea and has been taken forward by Lee Milton, NPCC Strategic Planning and Risk Manager. The following proposal was included in Lee's report to the National Police Chief's Council for their meeting on 20<sup>th</sup> March 2024.</p> <p><i>"As part of wider risk management discussions through the NRMF, the SPP team have also proposed to test support for a 'peer assessment' process. Forces have identified a gap in available peer assessment for risk management, and the potential benefit of a peer support network to undertake some review and baselining of policing's approach. 5.3.2. Following a request from North Wales Police, a test process has been proposed and will be discussed at the NRMF in March. A terms of reference will be drafted and shared for agreement with forces before work is undertaken. The NRMF is engaged with peer assessment colleagues and the College of Policing to explore proportionate and appropriate support that can be provided to colleagues for agreement with CCC".</i></p> <p>This is extremely encouraging and if approved at NPCC on 20/03/24 we will have support from all Chief Constable's and College of Policing. I have requested that NWP be the first 'pilot' Force for a Peer Review but I am unfortunately unable to give timescales at this stage. I am attending the next Risk Management Forum on 19<sup>th</sup> June 2024 where everyone present will receive an update on the NPCC's decision.</p>
28/09/2023	4	<b>Organisational Update</b> - Chief Superintendent Corporate Service	December meeting	Chief Superintenden	19/10/2023 - Update circulated to JAC Members.

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		to provide update on Body Worn Video and Chief Executive Officer to provide update on local impact on Firearms officers at next JAC meeting.		t Corporate Services	07/12/2023 – JAC member asked how assurance was received that BWV is switched on/off appropriately. <b>Chief Superintendent Corporate services to take away and report back.</b> Chief Executive explained that North Wales Police have not seen any Firearms Officers noting that they would like to hand in their Firearms licences. 02/02/2024 – update provided and saved on Google drive. <b>Suggest action closed.</b>
28/09/2023	6d	<b>Internal Audit Overview – Management Response</b> - Director Finance and Resources to discuss Vetting audit with Finance and Budgets Officer and inform JAC members outside of the meeting as to whether the deadlines for delivery will be missed.	Immediate	Director of Finance and Resources / Finance and Budgets Officer	FBO response – following consultation with PSD Force Vetting Manager, TIAA and DFR this recommendation has been deemed “No Longer Appropriate”. Information has been circulated to JAC members prior to meeting and a brief response to this action is within the internal audit report. 07/12/2023 – JAC member asked if NWP have the ability to interrogate data as no conversion of data. It was asked what the timeline would be for all data to be available on the new system. Director of Finance and Resources to take away and report back to next JAC meeting. 12/03/2023 – The following update is provided in the JAC internal audit report: <i>“FBO response – data is held in two places – Corevet system and the Vetting drive; when individuals records are reviewed either due to a change of circumstance, a health check due to a move or they require a re-vet at the renewal stage, these opportunities are taken to back record convert any files onto the system. The vetting team are able to interrogate the data albeit by looking in two places until full back record conversion has been completed...”</i> Suggest action closed.
28/09/2023	13	<b>JAC Briefing – Collaboration Governance Arrangements</b> - Corporate Head of Change and JAC IT lead to discuss most high profile risk collaboration areas at monthly meetings.	Ahead of December meeting	Corporate Head of Change & JAC IT Lead	22/11/2023 – As list of >100 collaboration sit outside Corporate Head of Change area of work and monthly digital meetings would not have capacity to take on broader agenda. Corporate Head of Change compiling list of all collaborations and sourcing dates of governance reviews conducted and once finalised will share with JAC to provide further assurance. 07/12/2023 – JAC member asked where this area of work is governed within the Force. Chief Superintendent Corporate Service work needs to be undertaken and Corporate Head of Change pulling a list

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE								
					together of collaborations being undertaken and how they are currently governed. 06/03/2024 - Register of collaboration created and saved on Google Drive. Additionally, Internal audit are currently carrying out an audit on collaboration.								
07/12/2023	4	<b>Organisational Update</b> - Chief Executive to circulate answer to remaining question arising from the organisational update to JAC members outside of the meeting.	Immediate	Chief Executive	11/12/2024 – Update provided to JAC Members.								
07/12/2023	5	<b>HMICFRS</b> - Chief Superintendent Corporate Services to ensure that fewer acronyms are used within the HMICFRS Update paper and also to include timelines for actions.	Before next meeting	Chief Superintendent Corporate Services	HMICFRS paper attached. <b>Recommend action closed.</b>								
07/12/2023	7	<b>Risk Update</b> - Head of Business Intelligence to review whether all actions shown under “Force Risk Register Actions” within the paper are truly green or whether they have been redated. This information to be included within the next JAC paper.	Immediate	Head of Business Intelligence	<p>Update 09/02/24 by the Risk and Business Continuity Lead.</p> <p>The following was documented in the JAC Risk Report under (Item 9):</p> <p><b>9. FORCE RISK REGISTER ACTIONS</b></p> <ul style="list-style-type: none"><li><b>Risk Actions RAG Ratings - NWP</b></li></ul> <table><tr><th>Actions Not on Track</th><th>Actions On Track but with Issues</th><th>Actions On Track</th><th>Completed Actions</th></tr><tr><td>0</td><td>0</td><td>57</td><td>75</td></tr></table> <p>Risks highlighted with ‘<i>Actions On Track but with issues</i>’ relate to Actions that are currently marked as pending or stalled and awaiting decisions on progression.</p> <p>Risks highlighted with ‘<i>Actions Not On Track</i>’ relate to Actions that are overdue and awaiting updates from Risk Leads.</p> <p>On each Risk Template, if an Action Target Date is revised, a record is made of the last date <b>and</b> the new Action Target Date.</p>	Actions Not on Track	Actions On Track but with Issues	Actions On Track	Completed Actions	0	0	57	75
Actions Not on Track	Actions On Track but with Issues	Actions On Track	Completed Actions										
0	0	57	75										

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MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
					Each column is completed at the time of completion of the risk report and Risk Leads are reminded of their Target Dates. <b>Recommend action closed.</b>
07/12/2023	8a	<b>Work Programme</b> - Chief Finance Officer to include AI in the March Committee work programme.	Ahead of Next Meeting	Chief Finance Officer	Executive Assistant has arranged for a separate session to take place on 26 April 2024 for members to receive briefing on AI. <b>Suggest action closed.</b>
07/12/2023	8b	<b>Work Programme</b> - Chief Finance Officer to note on Work Programme whether items are mandated or linked to the Committee's Terms of Reference.	Ahead of next meeting	Chief Finance Officer	Work programme updated to reflect whether items are mandated or linked to Committee's ToR. <b>Suggest action closed</b>
07/12/2023	13	<b>Legal Update</b> - Force Solicitor to investigate whether figures within Table 1 are correct and whether more public/employers liability claims have been received within the last financial year.	Immediate	Force Solicitor	The figures in table do appear to be correct. There has been a slight increase in claim volumes at mid-year 2023/2024 point. Two of these claims relate to one incident. The current volume as at 14/3/24 is 8 claims so it appears that there will be a slight increase for the 2023/2024 year). Previous years volumes were 5,7,6,2,4. <b>Suggest action closed.</b>

**Closed actions since last meeting – Archived April 2023 – previously closed available on request**


MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
08/12/2022	1	<b>Organisational Update – OPCC</b> - Presentations from the Familiarisation event to be saved on google drive to enable members who were not present to have sight of content.	Immediate	PA to Chief Executive	Presentations saved on Google Drive. <b>Suggest action closed.</b>
08/12/2022	2	<b>HMICFRS Update</b> - Superintendent Corporate Service to ensure that further detail regarding	March meeting	Superintendent Corporate Services	03/03/2022 – HMICFRS PEEL Report link to be shared with JAC members ahead of meeting and HMICFRS PEEL update to feature on March23 agenda. <b>Recommend action closed.</b>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		delivery of actions and associated risks are included within the next Joint Audit Committee meeting paper.				
08/12/2022	3	<b>Internal Audit – SICA</b> - Internal Audit and Finance and Budgets Officer to provide members with an update during January of completed and remaining audits for 2022/23.	January 2022	Internal Audit and Finance and Budgets Officer	21/12/2022 – Update shared with JAC Members <b>Suggest action closed.</b>	
08/12/2022	5	<b>Work Programme for 2022/23</b> - Chief Finance Officer to update Work Programme and present update paper on precept/budget in March JAC meeting.	March meeting	Chief Finance Officer	01/03/2022 - Link to Police & Crime Panel papers provided below. <a href="https://modgoveng.conwy.gov.uk/ieListDocuments.aspx?CId=800&amp;MId=9252&amp;Ver=4">https://modgoveng.conwy.gov.uk/ieListDocuments.aspx?CId=800&amp;MId=9252&amp;Ver=4</a> <b>Suggest action closed.</b>	
08/12/2022	6	<b>Work Programme for 2022/23</b> - Chief Finance and Chief Executive Officers to meet with JAC Risk lead to review the OPCC risk register.	As soon as possible	Chief Finance Officer / Chief Executive	14/2/23 – CFO met with J Cunliffe 14 February 2023 to go through risk management within the OPCC, including how risks are escalated to/de-escalated from the corporate risk register. JC asked whether the process and thresholds to escalate/de-escalate risks are consistent across the OPCC and force. CFO referred the matter to Corporate Risk and Continuity Lead for conformation. <b>08/03/23 – NWP Risk Lead reported</b> -OPCC Risks are recorded on the Force Risk Register if they meet the same threshold as per NWP Risks. This is done via an agreed Scoring Process and in accordance with The Risk Management and Assurance Mapping Framework. Any OPCC Risks that are requested to be Closed, again follow the same process. OPCC risks are reported to the Strategic Executive Board for strategic oversight and review. <b>28/03/2023</b> – JAC members concerned that risk registers are combined and believe they should be stand-alone as could cause conflict if together. CEO stated that happy for both to stand alone if provide assurance. CEO/CFO and JAC Risk Lead to meet to discuss.	



MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
						<b>Recommend action closed.</b>
08/12/2022	7	<b>Treasury Management Performance</b> - Head of Finance to ask Arlingclose to provide Treasury Management training to JAC members.	As soon as possible	Head of Finance		22/12/22 - Treasury advice has been sent out to tender with a closing date of early January. 28/03/2023 - Arlingclose have been reappointed. Head of Finance to contact to identify suitable date for Treasury Management training. <b>Action closed.</b>
08/12/2022	8	<b>Capital Programme – Update</b> – Director of Finance and Resources to share graph with audit committee members	As soon as possible	Director of Finance and Resources		06/03/2023 - Slide deck outlining financial performance re. Capital expenditure shared with audit committee members. <b>Suggest action closed</b>
08/12/2022	9	<b>Ethics Update</b> - Director of Finance and Resources to ascertain if Ethics Committee had been involved in the Internal Audits process.	Immediate	Director of Finance and Resources		02/03/2023 – No specific Ethics audits undertaken in recent past or TIAA activity triggered as a result of Ethics Committee. 28/03/2023 – Any ethical issues from audit process with be forwarded into the Ethics Committee. <b>Recommend action closed.</b>
08/12/2022	10	<b>Ethics Update</b> - Director of Finance and Resources to clarify whether applicants are asked whether they are members of the Freemasons as part of the application/vetting process.	Immediate	Director of Finance and Resources		02/03/2022 – DFR clarified with Force Vetting Manager who confirmed there is no specific Freemasons enquiry as part of the vetting process. <b>Recommend action closed.</b>
08/12/2022	11	<b>Ethics Update</b> - Vice-Chair of Ethics Committee to share dilemma and outcome	Immediate	Vice-Chair of Ethics Committee		03/03/2022 - Context for action was Medical records ethical issue. Further information shared with audit committee members via group drive following the meeting. <b>Suggest Action Closed.</b>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		with Joint Audit Committee Members.				
10/10/2022	9	<b>Briefing deep dive – Communications Strategies - OPCC and NWP</b> - Consider and feedback to the Joint Audit Committee, how we provide value for money through managed communications to all our communities, to build on public confidence.	Ongoing	OPCC Head of Communications and Engagement & NWP Head of Communications		18/11/22 – DFR has contacted the respective leads to advise that the DFR and CFO will consider engaging with them on an appropriate communication plan. 08/12/2022 – Transparency on underspend ongoing. 03/03/2022 – Factored into March23 closed session agenda which will consider HMICFRS report findings and provide further update. <b>Suggest action closed.</b>
08/12/2022	4	<b>Risk Update</b> - Joint Audit member John Cunliffe to share view around risk assurance with officers outside of meeting.	As soon as possible	John Cunliffe – JAC Member		06/03/2023 – Email sent to Head of Business Intelligence to provide a view on capturing the risks and its assurance. Will discuss further with officers if required. 28/06/2023 – JAC member has sent Head of Business Intelligence an e-mail which he is considering. 28/06/2023 - Head of Business Intelligence, Risk and Business Continuity Lead, Assistant Head of Finance and Resources have considered the suggestion of recording a new economic climate risk, but are satisfied this is already covered and mitigated in Risks <u>89</u> and <u>93</u> . <b>Recommend this Action is closed.</b>
08/12/2022	12	<b>Briefings – Sustainability and Decarbonisation</b> - Director of Finance and Resources and Environment and Energy Conservation Manager to produce paper setting-out the role of the JAC in scrutinising work.	By March meeting	Director of Finance and Resources / Environment and Energy Conservation Manager		06/03/2023 - Intention would be to consider further alongside JAC TOR but main areas of focus where JAC could add value would be regarding compliance with legislation; compliance with force policy and once developed, periodic scrutiny of progress made in relation to force plans. 28/03/2023 – Need to consider alongside other areas. Will include within draft JAC ToR. Provide update at next meeting. 09/05/2023 – to be discussed under the Governance agenda item. 23.06.23 – Discussions have taken place regarding the role of the audit committee in this area. The proposal is that: <ul style="list-style-type: none"> <li>Sustainability is incorporated to the Audit Committee work programme.</li> <li>Formal reports are provided to the Audit Committee twice per annum.</li> <li>The Audit committees role is to seek assurance and apply scrutiny in relation to: <ol style="list-style-type: none"> <li>The force strategy being adopted.</li> </ol> </li> </ul>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
					<p>2. The risks and opportunities presented in the delivery of this strategy.</p> <p>3. The compliance of the Force with its policies; adopted codes of practice and the wider legislative framework.</p> <p><b>Suggest action closed.</b></p>
28/03/2023	1	<b>Organisational Update</b> - Chief Executive Officer to share with JAC Members percentage numbers of officers under disciplinary action within other forces when published.	Immediate	Chief Executive Officer	<p>07.06.23 – Chief Executive has contacted other forces and has obtained limited data from them. Information to be included within the next organisational update paper.</p> <p><b>Suggest action closed.</b></p>
28/03/2023	2	<b>Organisational Update</b> - Chief Superintendent Corporate Service to share VAW Performance Framework data with JAC Members once published.	As soon as possible	Chief Super Corporate Services	<p>There was a change in direction nationally and a decision made not to publish individual Force data as part of the VAWG Performance Framework.</p> <p>The attached report is the one that was published nationally.</p> <p></p> <p>Tackling VAWG Policing insights rep</p> <p><b>Suggest action closed.</b></p>
28/03/2023	4	<b>HMICFRS Update</b> - Chief Superintendent Corporate Services to include high level progress of actions raised by HMICFRS within paper to future Joint Audit Committee meetings	July meeting	Chief Super Corporate Services	<p>Included in HMICFRS Update paper on the Agenda.</p> <p><b>Suggest action closed.</b></p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
28/03/2023	5	<b>Internal Audit SICA 2022-23</b> - Director of Finance and Resources to review and consider if any further action/processes need to be put in place when expenses are being claimed to ensure legitimacy.	Immediate	Director of Finance and Resources	<p>23.06.23 – The expenses process is via our online HR self-service system.</p> <p>It places the emphasis on the Individual claiming. Submissions are made on the back of them confirming that they have read, understood and adhered to the Expenses &amp; Allowances Policy. The policy states that NWP will reimburse expenditure incurred provided it is:</p> <ul style="list-style-type: none"> <li>• Necessary</li> <li>• Reasonable</li> <li>• In addition to what the employee would have otherwise incurred AND</li> <li>• Backed by a receipt.</li> </ul> <p>It is clearly stated that submitting a claim contrary to this can lead to a full recovery of expenses claimed and if deemed appropriate, disciplinary action.</p> <p>Expense claims still require line manager authorisation.</p> <p>The context for the action was that there had been an issue that some receipts were unreadable. Uploading and scanning has become easier with access scanners at force sites restored and digital receipts and photos via force mobile phones have further mitigated the issue.</p> <p>The conclusion is that the processes are proportionate to ensure the legitimacy of claims.</p> <p><b>Suggest action closed.</b></p>
28/03/2023	6	<b>Internal Audit Overview – Management Report</b> - Finance and Budgets Officer to share the North Wales internal audit plan for 2023/24 with members for approval outside the meeting.	Immediate	Finance and Budgets Officer	<p>04/04/2023 - Plan shared with JAC members.</p> <p><b>Suggest action closed.</b></p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
28/03/2023	7	<b>Internal Audit Overview – Management Report</b> - Director of Finance and Resources and Finance and Budgets Officer to summarise and ensure that updates are provided against actions identified by internal audit.	July meeting	Director Finance and Resources and Finance and Budgets Officer		<p>23.06.23 – This was discussed post meeting. Of particular relevance were the TIAA recommendations associated with ‘NEP Phase 2’. The relevant recommendations were 249424, 249425 and 249426.</p> <p>The DFR has held several working group meetings to ensure that the JAC members are briefed on this issue and that the updates to these recommendations (which remain long term) provide sufficient detail for the July JAC meeting.</p> <p><b>Suggest action closed.</b></p>
28/03/2023	9	<b>Work Programme for 2022/23</b> - Chief Finance Officer to share Auditor’s General letter to Local Authorities with Joint Audit members for their information.	Immediate	Chief Finance Officer		<p>29/03/2023 – Letter shared with JAC members.</p> <p><b>Suggest action closed.</b></p>
28/03/2023	10	<b>Work Programme for 2022/23</b> - Chief Finance Officer to share public facing introduction to accounts document with JAC members before it is published.	ASAP	Chief Finance Officer		<p>03/07/2023 - Document shared with JAC Members.</p> <p><b>Suggest action closed.</b></p>
28/03/2023	11	<b>Treasury Management</b> - Head of Finance to change the wording in paragraph 3.6 of	Immediate	Head of Finance		<p>Wording has been changed.</p> <p><b>Recommend Action Closed.</b></p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		the Treasury Management Report from Council to Police and Crime Commissioner.				
28/03/2023	12	<b>Treasury Management</b> - Head of Finance to produce projection of costs and include within Joint Audit Committee papers.	July meeting	Head of Finance	Projections will be included in reports where possible, at times there may be updated information that was not available at the time of writing the report that would be included on slides” <b>Recommend Action Closed.</b>	
28/03/2023	13	<b>Governance Update</b> - Chief Finance Officer to review content of paper presented to Joint Audit Committee and provide further assurance of Joint Governance Board’s effectiveness.	July meeting	Chief Finance Officer	The content of the Governance Update has been reviewed to ensure the effectiveness of the Joint Governance Board is more clearly demonstrated within the paper. <b>Suggest item closed.</b>	
28/03/2023	3	<b>Organisational Update</b> - Director of Finance and Resources and Chief Superintendent Corporate to provide members with assurance that Whistleblowing Policy had been tested and fit for purpose.	Immediate	Director of Finance and Resources & Chief Super Corporate Services	23.06.23 – DFR engaged with Head of PSD regarding Whistleblowing. A summary of the current position is provided below:  Our current whistleblowing guidance sits within the Counter Corruption Policy. This is being reviewed as a whole at this time. A piece of work started on an all Wales basis last year where between 3 of the 4 Welsh forces we have sought counsel advice for a specific Whistleblowing policy. This has been out for limited consultation in force with Staff associations, POD etc, however it will require full consultation when it is included in the full updated version of the Counter Corruption policy. This remains a work in progress. The target date for CCU policy completion is August23.  This however does not negate what we already have and PSD staff, Legal and HR representatives attended a Whistleblowing input by counsel last year to ensure that	

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						<p>should a individual fit this criteria each department would know how to respond accordingly. It has not been specifically tested since.</p> <p>We have significant engagement with our Police Integrity Line where people report concerns confidentially, but there is an option to instigate contact if the person so wishes.</p> <p>27/07/2023 JAC members questioned whether the Whistleblowing Policy had been tested and fit for purpose. Director of Finance and Resources to take away and provide further assurance at next meeting.</p> <p>13/09/2023 – DFR &amp; Head of PSD met to discuss the testing of the policy. No independent testing of the Whistleblowing policy currently takes place. However, there are a range of steps taken that do ensure accessibility and awareness of the policy exists including:</p> <ul style="list-style-type: none"> <li>• The current Counter Corruption Policy is accessible via the Force Intranet</li> <li>• A “Know where the line is” campaign was launched across Force in 2022 focussed on expectations for behaviour and standards that included Video footage and a posters campaign focussed on reporting routes for relevant issues.</li> <li>• The PSD signature include the details for contacting the Police Integrity line.</li> </ul> <p>The Head of PSD can confirm that engagement with the Police Integrity Line regularly occurs. An updated Anti-Corruption Policy is currently in its consultation phase. Once finalised the proposal is to issue a “Need to Know” across the force to ensure there is a broad awareness of the latest Force policy position.</p> <p><b>Suggest action closed.</b></p>
27/07/2023	3	<b>Action Log – Internal Audit Overview</b> NEP Phase 2 actions arising from actions identified by internal audit	Immediate	JAC IT lead		<p>JAC IT Lead to raise with officers during regular off-line meeting.</p> <p><b>Recommend action closed.</b></p>
27/07/2023	5	<b>HMICFRS Update</b> - T/Chief Superintendent Corporate Service to ensure that progress	September meeting	T/Chief Super Corporate Services		<p>Summary of the progress made against the AFI’s included in the latest HMICFRS update paper for JAC.</p> <p><b>Recommend action closed.</b></p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		against AFI's is included within the next meetings paper.			
27/07/2023	6a	<b>Internal Audit SICA 2023-24</b> - Treasury Management is included within the Internal Audit work plan every year.	September meeting	Internal Audit / Finance & Budgets Officer	31/08/2023 – Finance and Budgets Officer reported that JAC members had previously requested that this be an annual audit and NWP have adhered to this. Treasury Management is undertaken on an annual basis and has received substantial assurance in 2017/18, 2018/29, 2019/20, 2020/21, 2021/22 and 2022/23, This year it will be a collaborative audit with Gwent and South Wales Police.
27/07/2023	6c	<b>Internal Audit SICA 2023-24</b> - Internal Audit to discuss including the slippage of funds from year to year within the Capital Programme audit.	September meeting	Internal Audit	12/09/2021 The Audit Planning Memorandum (APM) scope has been adjusted to incorporate slippage and the fieldwork commenced w/c 11/09/23
27/07/2023	7	<b>Risk Update</b> – Officers to provide JAC members with the more detailed risk forms.	September meeting	Head of Business Intelligence	25/08/2023 - PDF copies of LIVE Risks and recently CLOSED Risks up to the end of August will be submitted to the OPCC Executive Assistant for saving on the JAC Google Drive as soon as the Risk and Business Continuity Lead returns from Annual Leave on 11 <sup>th</sup> September 2023.
27/07/2023	8	<b>Work Programme for 2022/23</b> - All to inform Chief Finance Officer of any additional items that need to be included within the Work Programme and consider if any agenda items could be moved from the December agenda due to large	Immediate	All	On meeting agenda. Items agreed for removal.



MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		numbers of items to be discussed.				
27/07/2023	11	<b>JAC Update – Capital Programme</b> - Head of Finance to share presentation with JAC members.	Immediate	Head of Finance		Presentation shared with JAC members 04.09.2023. <b>Recommend action closed.</b>
27/07/2023	6b	<b>Internal Audit SICA 2023-24</b> - Internal Audit and officers to consider whether unstructured data is included within the scope of the Data Protection audit.	ASAP	Internal Audit / finance & Budgets Officer		01/09/2023 – The Audit Planning Memorandum (APM) has not been received. 28/09/2023 – Date agreed and will be built into scope. Internal Audit will circulate scope to members when agreed. 20/11/2023 – DFR discussed APM with DPO. Unstructured data incorporated to APM. <b>Suggest action closed.</b>
27/07/2023	10	<b>Force Management Statement</b> - Force Management Statement to be the subject of a Deep Dive agenda item at future JAC meeting for information.	September meeting	T/Chief Super Corporate Services		28/09/2023 – Scheduled for July 2024 meeting but as clear JAC appetite for information session specifically on FMS to be organised. T/Chief Superintendent Corporate Services to arrange and facilitate. 07/12/2023 – meeting organised for early in the new year. <b>Recommend action closed.</b>
27/07/2023	13	<b>Governance Update – Including Draft AGS and JAC TOR</b> - Director Finance and Resources and Chief Finance Officer to clarify exactly what is meant under item 2.1.4 in the JAC Terms of Reference.	September meeting	Director of Finance and Resources / Chief Finance Officer		13/09/2023 – E-mail sent to JAC members clarifying what is meant under JAC ToR 2.1.4. 28/09/2023 – JAC members feel that wording of ToR not clear enough. To be considered further at JGB. 20/11/2023- Discussed at JGB. Head of Corporate Services to incorporate explanation to JAC TOR. 07/12/2023 – ToR have been amended and are awaiting ratification by the PCC and Chief Constable.
28/09/2023	6a	<b>Internal Audit SICA 23-24</b> - Internal Audit	Immediate	Internal Audit		20/11/2023 It was confirmed that this was not an issue. <b>Suggest action closed.</b>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		to inform JAC members whether it was identified during the Budgetary Control audit that there was a lack of awareness within the organisation to the overall organisational budget.				
28/09/2023	6b	<b>Internal Audit SICA 23-24</b> - Director of Finance and Resources to ask Budgets and Finance Officer to incorporate follow-up audit on whistleblowing into the future years audit plan.	Immediate	Director of Finance and Resources	FBO response – Whistleblowing policies/procedures are reviewed annually during the Collaborative Counter Fraud audit; At the request of JAC the APM has been updated to reflect the request to test the effectiveness of the Whistleblowing policy. Revised APM uploaded to google drive. <b>Suggest action is closed</b>	
28/09/2023	6c	<b>Internal Audit Overview – Management Response</b> - Director Finance and Resources to provide update on progress made against the recommendations arising from the HR Absence	December meeting	Director of Finance and Resources	20/11/2023 – Update included in Internal Control report. Revised completion date for most recommendations is 31/01/24. Further updates to be via Internal Control report. <b>Suggest action closed.</b>	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		Management audit at next Joint Audit Committee.				
28/09/2023	8a	<b>Work Programme for 2023/24</b> - Director of Finance and Resources and Chief Executive to look at the quality of papers submitted to JAC and ensure that the cover papers adequately reflect decisions/issues to note.	Ahead of December meeting	Chief Executive / Director of Finance and Resources	DFR and CE incorporated paper quality to JAC action plan. Note circulated to key JAC stakeholders of importance of considering best use of Covering Note. To discuss at Closed session. <b>Suggest action closed.</b>	
28/09/2023	8b	<b>Work Programme for 2023/24</b> - Chief Finance Officer to highlight mandatory agenda items in the work programme	Ahead of December meeting	Chief Finance Officer	31/10/2023 – Mandatory items marked on latest work programme. <b>Recommend action closed.</b>	
28/09/2023	12	<b>Sustainability Update</b> - Environment/Energy Conservation Manager to provide further data showing if improvements to consumption of electricity/gas was due to decreased consumption or if this a consequence of the pandemic.	Immediate	Environment/ Energy Conservation Manager	06.12.23 - The data has been derived from the databases we hold in Facilities, updated to 2021-22 (I am currently working on the 2022-23 data and information update.).  Annual consumption is recorded and compared against the 2019-20 baseline; and information is held on consumption changes and possible reasons such as, as a result of installing LED lighting; has the site been sold since 2019-20; agile working introduced; site vacant (but still incurring cost) etc.	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION		REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
						<p>Update on data:</p> <ul style="list-style-type: none"> <li>- <u>Electricity</u> - consumption for April 22 to March 2023 has been collated – provisional data is showing a reduction of 914,439 kWh in 2022-23 compared to the 2019-20 baseline, this is a 12% reduction in consumption.</li> </ul> <p>The reduction in electricity consumption since 2019-20 has resulted from (i) agile working in the larger administration buildings and (ii) installation of LED lighting to larger consuming sites and stations; approximately a quarter of the NWP estate now has LED lighting, with work programmes for further projects and sites currently being established.</p> <p>The decrease in electricity is a combination of</p> <ul style="list-style-type: none"> <li>(i) energy reduction works having taken place, for example replacing lighting to LED at the larger electricity consuming buildings, such as Rhyl PS, Bangor PS, Denbigh PS, Western Traffic Base, Unit 8, Unit 31, Joint Communications Centre.</li> <li>(ii) As a result of the pandemic and agile working/working from home having been introduced, the resultant electricity consumption decrease of this can be seen predominantly in Force HQ, Llety'r Dryw, Alexandra House and PFI; we know that other electricity reducing works have not taken place at these sites, so the difference must arise from the change of occupancy. PFI also has had a change of usage, since Training moved to Unit 31 and number of people on site changed.</li> <li>(iii) Also some sites have closed since the 2019-20 baseline year, such as Wrexham DHQ, Benllech PS, Gresford PS; some are vacant pending sale, such as Buckley PS; or some have had major refurbishments, such as Pwllheli PS. These all contribute towards some of the reduction.</li> </ul> <p>Gas is slightly different to electricity, as the space still requires heat whether there are 10 or 50 people in a building, what can be changed though is how that heating is controlled; since 2019-20 the control of the heating systems has been improved, for example 'set point' temperatures and 'on / off' settings have been adjusted on the Building Energy Management System (BEMS) according to the occupancy of rooms and buildings, this takes into account areas which were once fully occupied offices, now being agile rooms etc, such as in Force HQ, Llay etc.</p> <p>During Facilities works at Unit 31 and Western Traffic Base, ceiling insulation has been installed, which has helped to reduce the gas consumption at those sites. As a note, the loft insulation project for a number of Police Buildings, where the current</p>

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						insulation requires upgrade (from 100 to 300mm to meet latest building regs) has commenced, so it is hoped those sites will in turn have lower gas demand going forward. <b>Suggest action closed.</b>

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



## Joint Audit Committee 28<sup>th</sup> March 2024

### OPCC Organisational Update

#### Updates

The previous meeting of the Joint Audit Committee (JAC) was held on 7<sup>th</sup> December 2023. This report will provide an update to the JAC on OPCC matters of note since then.

#### Police and Crime Commissioner Election

The Police and Crime Commissioner Election will take place on 2<sup>nd</sup> May 2024. The pre-election period (formerly known as purdah) will begin on Monday 25<sup>th</sup> March. OPCC media and social media content will be significantly reduced from that date. A briefing will take place at Force Headquarters for all prospective candidates and their agents on Wednesday 27<sup>th</sup> March. At the time of writing, two candidates are known (the incumbent PCC standing for re-election and a candidate on behalf of the Welsh Conservatives).

#### North Wales Police top survey of public confidence

More people have confidence in North Wales Police than any other force in England and Wales. A survey has shown that 77% of people in North Wales have confidence in the way the region is policed, putting it at the top of the Crime Survey for England and Wales.

The force also achieved the second highest percentage nationally for those who agreed that the police would treat them with respect (86.5%).

This compliments data which showed that the force maintains the second lowest figure nationally for rates of recorded neighbourhood crime per 1000 population.

<b>Report Author:</b>	<b>Stephen Hughes, Chief Executive</b>
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**Joint Audit Committee**

**Meeting Date: 28<sup>th</sup> March 2024**

<b>Title:</b>	Organisational Update – North Wales Police
<b>Author:</b>	Seb Phillips, Director of Finance & Resources
<b>Purpose of the report:</b>	To provide the Joint Audit Committee with an overview of key organisational events and issues taking place since the last JAC meeting.
<b>The report is provided to JAC for: (tick one)</b>	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
<b>Summary / Key Points:</b>	<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 07.12.23 to 07.03.24.</p> <p>The issues and events are analysed between the four categories of Finance; People, Learning &amp; Innovation; Operational and Public / Community.</p>
<b>Recommendations:</b>	For members of the Joint Audit Committee to note the Director of Finance & Resources' report.
<b>Risk Register Impact:</b>	None.
<b>Assurance Implications:</b>	None.
<b>Equality Impact:</b>	None.
<b>Information Exempt from Disclosure:</b>	None - All content in <b>Open</b> Session

# **JOINT AUDIT COMMITTEE**

**28<sup>th</sup> March 2024**

## **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 07.12.23 to 07.03.24.

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

#### **2. Finance**

- 2.1 Budget Setting proposals were finalised in Dec23 with the Force proposals balancing keeping council tax increases as low as possible with a Band D increase of £16.56 or 4.97%, against the demand pressures being faced by the Force.
- 2.2 The proposals for 2024/25 were endorsed at the Police & Crime Panel at the end of Jan24, resulting in the lowest increase across the Welsh forces with the plan for next year based upon:
  1. Clear alignment to Chief Constable's vision & PCC's priorities
  2. An understanding of the significant cost and demand pressures faced
  3. Balancing these priorities and demands against the available resources
- 2.3 The UK Government settlement was broadly as expected with the addition of one off "Hotspot funding" to tackle anti-social behaviour. However, the financial pressures being felt by Welsh Government featured in the settlement with reduced funding for school liaison officers and PCSOs. Conversations over the allocation of the funding across the Welsh Government is ongoing.
- 2.4 Full year revenue projections have been produced at the end of Q3 with a full year underspend of £3.082m / 1.6% (being factored into the planning assumptions). The underspend is being driven by pay and income with an emerging issue related to provisions for employer and public liability potentially offsetting an element of it.
- 2.5 The capital budget for 2023-24 has been revised from the original budget of £12.212m to £6.831m (revised from £9.636m at the end of Q2) with the revised programme being factored into the capital strategy.
- 2.6 The Medium Term Financial Plan (MTFP) was issued and published alongside the Precept proposals.

#### **3. People, Learning & Innovation**

- 3.1 Following a robust recruitment process, Julie Brierley was appointed as NWP's new Head of People & Organisational Development and commenced in post on Monday, 4<sup>th</sup> March 2024.



- 3.2 An inspector promotion process was held at the end of February/beginning of March 2024 with 18 successful applicants.
- 3.3 Recruitment of staff remains challenging but the Force is expecting to meet its Uplift target of 1727 police officers on 31<sup>st</sup> March 2024 (securing the associated funding) and to outturn with 180 PCSOs. The plan is to maintain our uplift officer numbers in 2024/25 and increase our PCSOs to 194 FTE over the course of the financial year.
- 3.4 The Pronto app launched force wide on 19<sup>th</sup> February 2024 following successful pilots in the Central area. The app supports the Force vision to be more visible and engaging with our communities through allowing officers to complete more work away from police stations concluding representing a significant milestone.
- 3.5 Other work streams such as the Command & Control and HR system upgrade remain challenging but actively managed.
- 3.6 Following new Pension regulations relating to McCloud remedy coming into effect on 1<sup>st</sup> October 2023, the Pension Hub and the Force's Pension administrator are continuing to experience significant demand with customer service levels under pressure when compared to historical levels.
- 3.7 Whilst overall levels of churn are relatively low, work is underway to reduce staff turnover. A revamped exit interview process was launched in February giving leavers the opportunity to provide insight into reasons for leaving and on 25<sup>th</sup> March 2024 a "Say and Stay" initiative will be launched, encouraging people to speak up if they are considering leaving the organisation.
- 3.8 The Hydra Suite in Force Headquarters has recently been updated and offers immersive learning packages to staff. A training package for future and existing First Line Supervisors was successfully completed at the end of last year, with a new programme of training packages being rolled out in 2024.
- 3.9 The Force took part in an inaugural National Police Staff Week of Celebration and Recognition the week commencing 4<sup>th</sup> March 2024, designed to recognise the contribution made to policing by police staff, as well as increasing the understanding of the work of police staff across the policing landscape.

#### **4. Operational**

- 4.1 The force has recently delivered several achievements:
- North Wales Police was the top force in the country for our public having trust in us (Crime Survey England & Wales data).
  - Satisfaction rates in relation to the Force's handling of Hate incidents has gone up 8 percentage points to 83.3%.
  - Satisfaction rates in relation of the Force's handing of Domestic Abuse incidents is up to 84.2%
- 4.2 The Prevention Hub was relaunched on 18<sup>th</sup> September 2023 to help drive forward our preventative approach with work to reduce demand on officers and staff and building trust and confidence with the public progressing since. The team has recently co-ordinated the submission to access Hot Spot funding for next financial year.
- 4.3 Impact days were carried out across the Force in December with a focus on increased targeted visibility, warrants, licensing checks and high-risk offender checks. The days

were to provide reassurance and increased visibility in the run up to the Christmas period and were well received by communities.

- 4.4 142 people were arrested for drink or drugs related offences as part of the Christmas prevention campaign.
- 4.5 A national assessment in relation to Information Security was carried out by Police Digital Services, who act as the national accreditor for policing cyber security. North Wales Police scored above the national average for forces in England and Wales although the assessment also acknowledged the persisting risk.
- 4.6 At the end of January 2024 a data breach from the North Wales UNISON branch was reported, which affected a number of NWP police staff. Although not an NWP breach, this presented an opportunity to remind staff how to protect personal information. Our own information management processes were reviewed and there has been a further push to ensure all staff complete the Data Protection Refresher Training. The Force will also undergo an independent by the ICO later this year.
- 4.7 Performance monitoring at Force and OPCC level continues with key performance updates from the Strategic Executive Board held on 8<sup>th</sup> February 2024 including deep dives into the areas of Rural Crime and the Force Control Centre.
- 4.8 The Forensic team received ISO accreditation following a visit from UKAS in January which is well deserved, and a reflection of the hard work completed by the team led by Dr Anya Hunt.

## **5. Public / Community**

- 5.1 Over the last 12 months the control room answered 99,000 calls (98%), an increase of almost 12,000 on the previous year.
- 5.2 Right Care Right Person was launched in January 2024. The first phase concentrates on concern for safety calls which would be more appropriately resourced by other agencies.
- 5.3 The force continues to progress its work in relation to building Trust & Confidence with its communities with its cultural audit workstream continuing to make progress. More than 200 staff have now completed the Inclusive Leadership Programme.

## **6. Recommendations**

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

## Joint Audit Committee

**Meeting Date: 28<sup>th</sup> March 2024**

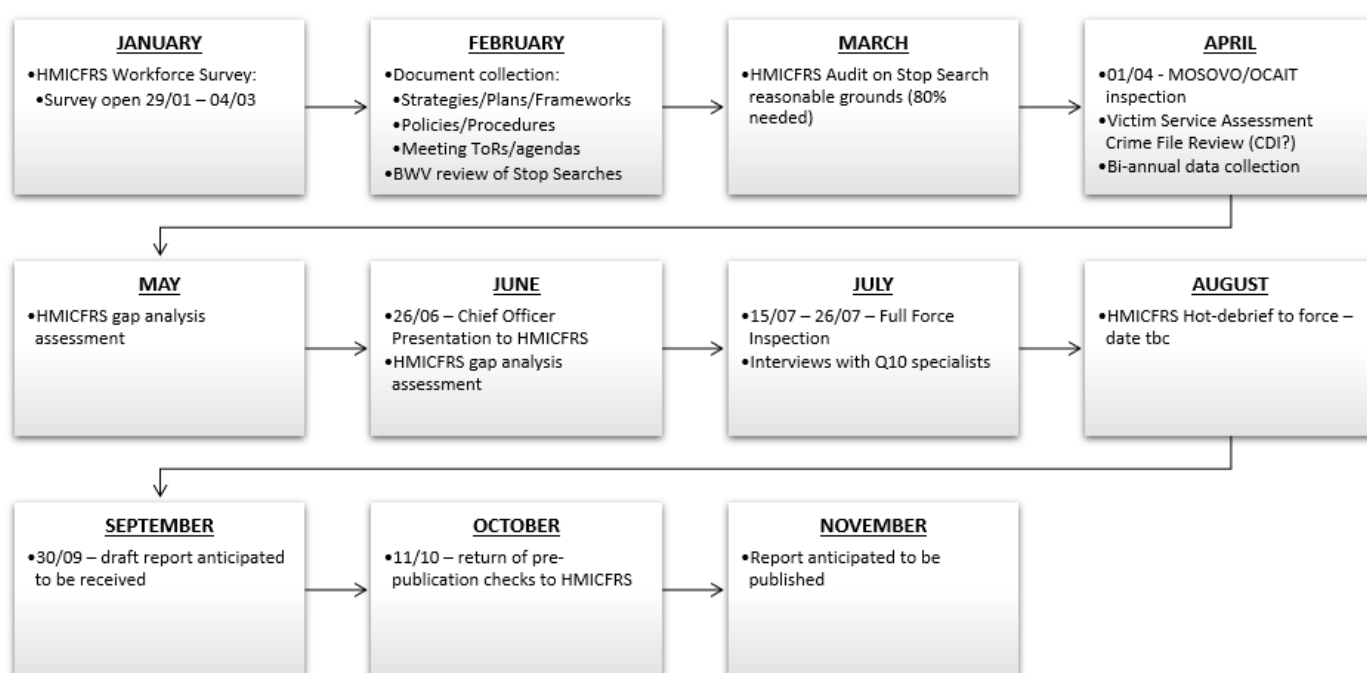
<b>Title:</b>	HMICFRS Report
<b>Author:</b>	Sarah O'Hara, Audit & Inspection
<b>Purpose of the report:</b>	To provide committee members with an overview of the upcoming HMICFRS PEEL ( <i>Police Effectiveness, Efficiency and Legitimacy</i> ) inspection and progress against areas for improvement (AFIs) and recommendations.
<b>The report is provided to JAC for: (tick one)</b>	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
<b>Summary / Key Points:</b>	<ul style="list-style-type: none"> <li>The PEEL Task and Finish Group chaired by the Deputy Chief Constable has been monitoring the progress of the AFIs assigned from the 21/22 inspection in addition to the overall preparation for the PEEL.</li> <li>HMICFRS have commenced their pre-inspection assessment, which to date includes:             <ul style="list-style-type: none"> <li>Attendance at force meetings</li> <li>Focus groups with officers/staff</li> <li>Review of documental evidence such as policies and strategies</li> <li>Review of BWV footage of stop search incidents</li> </ul> </li> <li>The two-week intensive inspection period for North Wales Police will commence on 15<sup>th</sup> July. HMICFRS inspectors will use this period to reality-test their findings to date, visiting most stations and departments across the force area.</li> </ul>
<b>Recommendations:</b>	None.
<b>Risk register impact:</b>	None.
<b>Assurance implications:</b>	None.
<b>Equality Impact:</b>	None.
<b>Information exempt from disclosure:</b>	None.

## 1. INTRODUCTION

The purpose of this report is to provide Joint Audit Committee members with an overview of the inspection schedule conducted by HMICFRS. North Wales Police is already in its assessment period for PEEL 23-25, with the inspection concluding in July 2024. No other inspections have been set for the force, however a joint inspection of youth offending services for the area of Conwy and Denbighshire has recently been inspected as part of a joint inspection with the HMI Probation. The outcome of this inspection is yet to be disclosed.

## 2. NORTH WALES POLICE PEEL INSPECTION

Activity to support the findings for the North Wales Police PEEL inspection has commenced, with HMICFRS now actively assessing the force either in person or remotely. The below slide provides a timeline of the assessment:



HMICFRS are now regularly observing force meetings. These meetings cover all elements of policing within the governance structure from all departmental areas. Meeting attendance includes observations at both tactical and strategic levels and those which include public scrutiny panels, such as those reviewing stop search and use of force incidents. HMICFRS have also commenced holding focus groups with officers and staff, with seven focus groups held over 27<sup>th</sup> – 29<sup>th</sup> February 2024. More focus groups will take place over the coming months.

The HMICFRS workforce survey went live 29<sup>th</sup> January and closes on 4<sup>th</sup> March. This workforce survey covers aspects such as training, career development, workforce belonging, workload, leave entitlements, well-being, management support, and bullying, harassment and discrimination. At the point of writing this report, 29% of the workforce had completed the survey. The completion of this survey enables HMICFRS to reach a wider population of the workforce and be able to base their findings in addition to those spoken too in focus groups and reality testing.

HMICFRS will soon look to conduct an audit of dip-sampled stop search incidents that occurred in 2023. This audit is to assess whether the officers' reasons for searching the individual were of reasonable grounds. HMICFRS are also conducting a review of body-worn video footage of stop search occurrences, with 20 incidents shared with them for review.

Planning for the following other elements of the inspection as referenced in the timeline are yet to be arranged.

### 3. PEEL 21/22 Areas for Improvement (AFIs)

The PEEL Task and Finish Group was established in July 2023 chaired by the Deputy Chief Constable. This meeting was set-up to monitor progress of completing the AFIs from the inspection and to prepare for the 23-25 inspection. Progress of the AFIs has been further scrutinised by the DCC with holding individual meetings with service leads to fully comprehend the position and further steps required to ensure the force can complete the AFI. Whilst most are now in a position of completion, in that effective processes have been put in place, some remain ongoing. It must be highlighted that some AFIs completion is dependent on the crime file review findings of individual crimes audited. Timescales for completion of the AFIs are in-line with the inspection, as they are assessed by the inspectorate during this process.

A summary of the AFIs is detailed below. Timelines for any remaining actions have been included where outstanding work is ongoing.

#### 1. The force should ensure that, in relation to its use of force, all relevant officers and staff are recording when force is used and that there is effective supervisory oversight.

The new audit process is now fully established and business as usual, ensuring that all incidents of use of force are recorded. A newly designed infographic to improve the sharing of use of force statistics with the public is now available to view on the force website. This information will be updated on the website on a quarterly basis; a copy of the infographic is attached.



use of force data  
October to December (See Appendix 1)

In addition to previous updates provided to the committee, a decision has been made to amalgamate the scrutiny and governance boards of both stop search and use of force following on from best practice discussions with the HMICFRS Force Liaison Lead (FLL). Strategic ownership now resides with the Chief Superintendent for Operational Support Services (OSS) with tactical leads for use of force owned by the Superintendent for OSS and stop search with the Superintendent for community safety, Local Policing Services (LPS). This new structure has been agreed and the scheduling of these meetings is now underway for March. HMICFRS will be observing these meetings as part of their inspection process and to enable further review on our completion of the AFI.

#### 2. The force needs to attend calls for service in line with its published attendance times and ensure, that when this does not occur, victims are fully updated.

The Force Control Room Superintendent analyses attendance times at the weekly performance meeting and the median dispatch and response time is being met. This data is shared with Local Policing Services for further breakdown of data by district for their review when there are dips in performance. The frontline response model is aligned to the Operational Improvement Programme and budget setting. The force is therefore content that the time frames for attendance remain fit for purpose with current and forecasted demand alongside resource availability.

To ensure that victims are informed of any delays in attendance, the control room has a process in place for priority 1 (attendance within 60 minutes) events in that at 55 minutes in, selected staff on digital desk terminals, including a supervisor terminal, receive a message alert notifying them of the requirement to check the event and take action. This includes notifying the caller of the delay and reason for the delay. A daily report is run to ensure compliance which is currently running at 95%+ *(some events are not suitable for a variety of reasons)*.

In addition to this, a number of changes, made through the Optimisation Programme have helped to improve officer deployability and demand management, including:

- An increase in daily staffing levels (DSL) has been agreed for patrol sergeants across the force which means that districts will rarely be left without supervision by a sergeant.
- The implementation of Phase 1 of Right Care Right Person has reduced the number of incidents which officers are deployed to and therefore increased the availability of officers to attend other priority incidents.
- The new shift patterns and DSL which combines the duties of the patrol and custody inspectors provides a greater presence of inspector supervision across the force 24/7. The resilience of this approach is enhanced through maintaining a rota of district managers to fill any gaps created through short notice sickness.
- Alterations to the Probationer Development Unit (PDU) model puts increased onus on the officers within the unit responding to incidents, which includes officially counting them as part of the DSL on Friday and Saturday evenings to assist in meeting the peaks in demand.
- A review of the Force Control Centre (FCC) is underway and incorporates the method by which we are deploying officers to incidents to ensure it is efficient and effective.

**3. The force should make sure investigations have supervisory oversight and all investigative opportunities are considered.**

The audit conducted by the Force Crime Registrar (FCIR) for occurrences covering May – July 2023 concluded that there was effective supervision in 67% of the cases and that 71% had effective investigation. Where there was effective supervision, effective investigation rises to 95%.

44% (20/45) of supervisors however did not use EOEL4's (*the supervisory review template*), thus not following local crime management policies. The force therefore mandated the use of the EOEL4 template in January 2024 to ensure that supervisory updates were applied to crimes in line with the timescales within the crime management policies. An initial audit of 100 crimes across all districts (*10 per district*) was conducted in February 2024 to understand if this message had been received on the frontline. The audit concluded that further work was required, and a one-page guide has since been prepared to ensure officers understand their obligations with the crime management practice guide, the victims code of practice (VCOP) and file closing requirements. A further audit will be conducted in March 2024 based upon priority crimes.

In addition to this, a number of changes implemented by the Optimisation Improvement Programme (OIP) have reduced demand on the Patrol Sergeants which increases their capacity for providing investigative oversight. For example:

- The DA Case build team takes ownership of 40-45% of all case files which would have required supervision.
- Continuing to invest in an improved Probationer Development Unit (PDU) removes the demand of managing the student officers and their portfolio work from the front-line Sergeant.
- No longer having to supervise the incidents and investigations associated with the demand removed through Right Care Right Person.
- Reduced the time Sergeants need to spend preparing for their rota briefings due to the Power BI briefing tool.

**4. The force needs to make sure that it complies with the requirements of the Code of Practice for Victims of Crime (VCOP). This includes offering people the opportunity to make victim personal statements (VPS) and completing a victim needs assessment (VNA).**

The VCOP Power BI dashboard is live, but still under development in terms of being able to accurately display data. Manual audits where data cannot be automated is still required at present. Improvements to data is linked with the victim contact module on Pronto. This module incorporates mandated fields for officer completion and will improve performance data. Enhancements to the VCOP module will go live on 4<sup>th</sup> March 2024, which include additional compliance questions including vulnerability, victim personal statements and potentially a new process to provide an electronic receipt via e-mail of the contact agreement with the victim. If the victim does not wish an electronic copy, then Pronto will trigger a workflow for a traditional letter to be sent.

The quarterly Victims Code of Practice (VCOP) audit summary is shared below. This is based on quarter 2 data (July – September 2023):

#### VCOP Force Compliance Audit – Headlines Summary

- The majority of VCOP compliance measures are stable.
- Significant improvements identified with officers explaining/offering victim personal statements (VPS) and offering victims referrals to victim support.
- The priority crimes observed identified significant improvements in updating victims and providing clear and regular supervisory direction.
- Improvements have been implemented for front end VCOP processes; completion of victim contact module/negative occurrence enquiry log (OEL), offering victim support, officer in charge identifying enhanced rights and explaining/offering VPS, but further improvement is needed.
- The completion of the EOEL3 (officer in charge investigation completion) template is poor. This is important to ensure accuracy of the 'next victim update due' report, to manage victim updates.
- Good performance identified in updating victims following significant events and of the outcome of the investigation, however, improvement is needed in providing regular updates to victims in line with agreed frequency as recorded in the victim contact module.
- The VPS uptake and 'reading preference in court' compliance is consistent with the majority of VPS being accepted but not recorded if the case did not go to court or resulted in an out of court disposal.

#### **5. The force needs to implement appropriate governance and monitoring processes to make sure that the use of outcomes is appropriate and that it complies with force and national policies.**

The temporary centralised outcome audit team is now at full establishment and training complete. Two of the team concentrate on reviewing 100% of the outcomes closed with outcome 10 (*police decision – prosecution not in the public interest*) or outcome 21 (*named suspect – further investigation not in the public interest*) and two others work on outcomes closed with outcome 15 (*named suspect – victim supports, evidential difficulties*) and outcome 16 (*named suspect – victim does not support, evidential difficulties*). Compliance has improved since the introduction of the audit team. Outcome 15 currently sits at around 95%. Outcomes 16 and 21 are improving, but slowly. Outcome 10 is improving in that it is being used incorrectly much less often.

In addition to this, area Detective Chief Inspectors (DCIs) have to report into the strategic crime recording user group meeting (CRUG) by means of a highlight report which outlines what actions they are taking to improve outcome compliance. DCI's have also introduced an escalation process for sergeants making errors which will form part of their continuous professional development (CPD). The Investigation Standards Board monitors all crime recording matters including outcomes.

#### **6. Within six months the force should demonstrate that it has sufficient capacity within the central referral unit (CRU), and that this has resulted in timely risk assessments being consistently completed and staff able to attend multi-agency meetings.**

The Crime Services review conducted by the Optimisation Improvement Programme has confirmed that the position in the Central Referral Unit is much improved with risk assessments being conducted in a timelier manner. The review is continuing to explore opportunities for further efficiencies to ensure that the unit is sustainable in the face of the demand which is predicted to increase.

The HMICFRS FLL also visited the CRU in November 2023 and was pleased to find the department in a much better position.

**7. The force should be more proactive in promoting multi-agency working to ensure that vulnerable people are safeguarded effectively.**

The force is continually seeking to achieve multi-agency working across the force, but this is also at the discretion of partner agencies. There have however, been significant developments in implementing Multi Agency Service Hubs (MASH) across the force area. At present, the Conwy MASH is business as usual. A pilot of a MASH (*children's services only*) commenced in March 2023 with Denbighshire County Council, with the adult services ready to commence from a policing perspective but awaiting go ahead from the local authority due to staffing issues. Anglesey went live with a similar model in June 2023. Wrexham MASH now runs daily with Childrens Services. Further agencies will join where required such as Adult SSD, Probation, Health and Education. There is not currently an Adult MASH however this is something which police are in discussion about with Adult SPoA team (Single Point Of Access) and safeguarding. Chief officers have been provided with a report detailing the efforts that NWP have made to establish MASH functionality across the force and the Chief officers will present this at senior executive boards to encourage the remaining local authorities to engage in what has been nationally recognised as good practice.

**8. The force should review its digital capability within online child abuse investigation teams (OCAIT) and management of sexual or violent offenders (MOSOVO).**

MOSOVO officers have received training to improve digital capability, enabling the early triaging of devices at scenes. The OCAIT team works with the Digital Forensics Unit who regularly accompany them for triaging devices at scene, and MOSOVO staff are able to join OCAIT staff on warrants. Alternative training opportunities have been completed by OCAIT staff to enhance digital capabilities, which include:

- Griffeye (similar to the Child Abuse Image Data system)
- CPsystem
- Specialist child abuse investigation development programme (SCAIDP)
- ICAC Child On-line Protection System. This is a proactive tool to identify offenders who are sharing indecent images of children via file sharing networks such as Torrents. Additionally, this gives staff enhanced knowledge into technical analysts, trends and also an opportunity to network with officers from other forces.

**9. The force should review its sex offender management practice.**

To ensure that there is well documented and timely supervisory oversight of work, risk management plans and updates from home visits with registered sex offenders is documented in the Protecting Vulnerable Persons Unit (PVPV) Performance Report and is presented to the PVPV Governance Board for Senior Management Team (SMT) oversight. A permanent Detective Sergeant resource was secured in November 2023. The force is confident that this AFI will be recognised as complete by HMICFRS upon re-inspection.

**10. The force needs to fully understand its capability and capacity to ensure it uses resources more efficiently to provide better services to its communities.**

The Optimisation Improvement Programme has workstreams running in relation to Local Policing, Crime Services and the Force Control Centre. A fundamental aspect of the work is a comprehensive assessment of the capability and capacity of the areas under review. This has already led to agreed changes within LPS, with patrol model now fully evaluated and the subsequent recommendations approved for changes to be made across local policing. The changes include:

- A dedicated domestic abuse case file preparation unit.
- Patrol inspectors freed up from custody matters to empower them to focus on their patrol teams.
- Custody inspector's shift pattern will change to align to the patrol rota pattern.
- Removal of the requirement for District Inspectors and Support Sergeants to work a night's cadre pattern.



- Permanent presence of a patrol sergeant in all districts on all shifts by increasing sergeant DSL to ensure consistent supervision and support.
- Daily 2pm Pace-setter meeting to ensure that senior managers continue to be engaged in understanding the challenges and ensuring resourcing is sufficient.

A local policing briefing tool has been produced which provides all data needed for daily briefings. VCOP data has been incorporated into the warehouse to allow understanding of investigation progress in line with victim's requirements. A Strategic Demand and Performance dashboard has been produced and there is a workplan to populate further key demand metrics. In addition, a demand matrix is being developed to understand key demand across all departments. A next phase of Business Intelligence (BI) product development has been developed which prioritises a number of key data areas such as custody, and other products focussed on capacity, capability and demand e.g. Officer workload product, strength/deployability product, key data for monitoring restructure and performance products to support the Strategic Plan.

#### 11. The force needs to improve how it communicates its financial plans and the challenges it faces in delivering its services.

Internal and external financial documents have been evaluated to ensure our financial plans and challenges are communicated appropriately. The force financial position is outlined to the Audit Committee, Police and Crime Panel, Finance and Resources Board, Strategic Executive Board and Strategic Management Board. Changes have been made to the Medium-Term Financial Plan (MTFP) to allow for increased references to our financial underspend and 'strength of the force' balance sheet. The precept details and reports have been shared with the six local authorities and the 'Capital Strategy' (including Capital Budget) have been presented to the Joint Audit Committee, with an update on risks and assumptions within the MTFP. The Director of Finance and Resources has also made a force wide video-log focusing on the outturn for last year and this year's budget.

The force has also obtained independent assurance around the current communication in relation to Financial Position and Underspend via the JAC, with an action plan discussed in closed session of the committee with enhancements to reporting discussed. We are confident that this AFI is already met.

#### 4. Non-PEEL Recommendations and AFIs

Below is a summary of all recommendations and AFIs assigned to North Wales Police:

Level 2 Force sign-off	Level 3 – Force & HMICFRS sign-off
<b>New: Meeting the needs of victims in the criminal justice system x 1</b>	NWP Serious & Organised Crime x 4 recommendations
<b>New: Group-based child sexual exploitation x 4</b>	Police Performance x 3 recommendations
Race disparity in police criminal justice decision making x 4	Vetting, misconduct and misogyny x 24 recommendations <i>(23 deemed complete awaiting verification from HMICFRS)</i>
Homicide prevention x 2 recommendations	NWP Vetting 2022 x 1 AFI
Deployment of firearms x 4	PEEL 2022 x 11 AFIs
Serious Youth Violence x 2 recommendations	
Online CSE x 10 recommendations	

Digital forensics x 1 recommendation	
Vetting, misconduct and misogyny x 5 AFIs <i>(5 deemed complete awaiting verification from HMICFRS)</i>	
Burglary, robbery and other acquisitive crime x 2 recommendations	
Custody x 3 AFIs	
VAWG x 3 recommendations	
Rape x 1 recommendation	



HEDDLU  
GOGLEDD CYMRU  
NORTH WALES  
POLICE

# USE OF FORCE

Activity in North Wales force area  
Between **01/10/2023** and **31/12/2023**



TOTAL INCIDENTS: **15,001**

INCIDENTS WHERE USE OF FORCE WAS USED:

**1,164**



OFFICERS USING FORCE - FORM SUBMISSIONS:

**1,681**



ARRESTS:

**1,413**



DETAINED - MENTAL HEALTH ACT:

**43**



HOSPITALISED:

**59**



Anglesey =

**157**

Gwynedd =

**293**

Conwy =

**310**

Denbighshire =

**296**

Wrexham =

**358**

Flintshire =

**267**

## OFFICERS:

Assaulted and injured

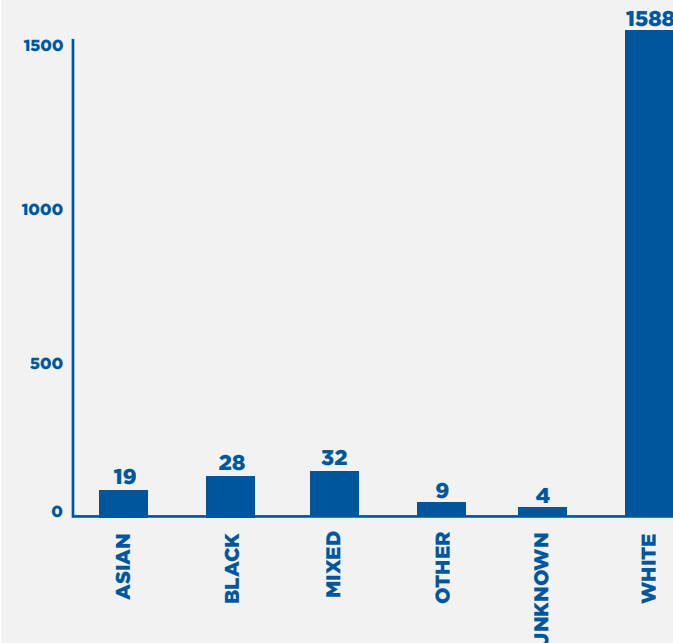
**44**

Assaulted not injured

**79**



## ETHNICITY



## SUBJECT PROFILE:

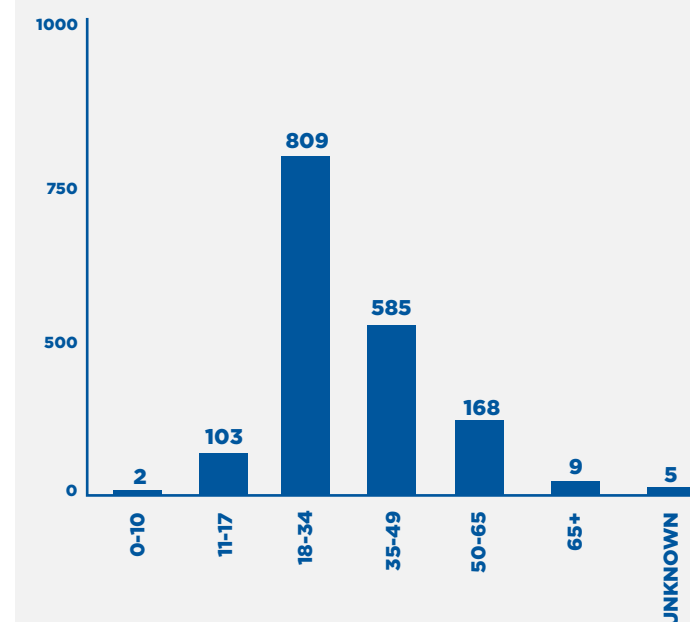


**1,366**



**309**

## AGE



## RESISTANCE ENCOUNTERED:

Compliant

**629**

Aggressive resistance

**275**

Verbal resistance/gestures

**146**

Active resistance

**404**

Passive resistance

**177**

Serious/aggravated resistance

**46**



# WHEN? LIKELY WEEKDAYS AND TIMES OFFICERS HAVE USED FORCE FOR THE PERIOD:

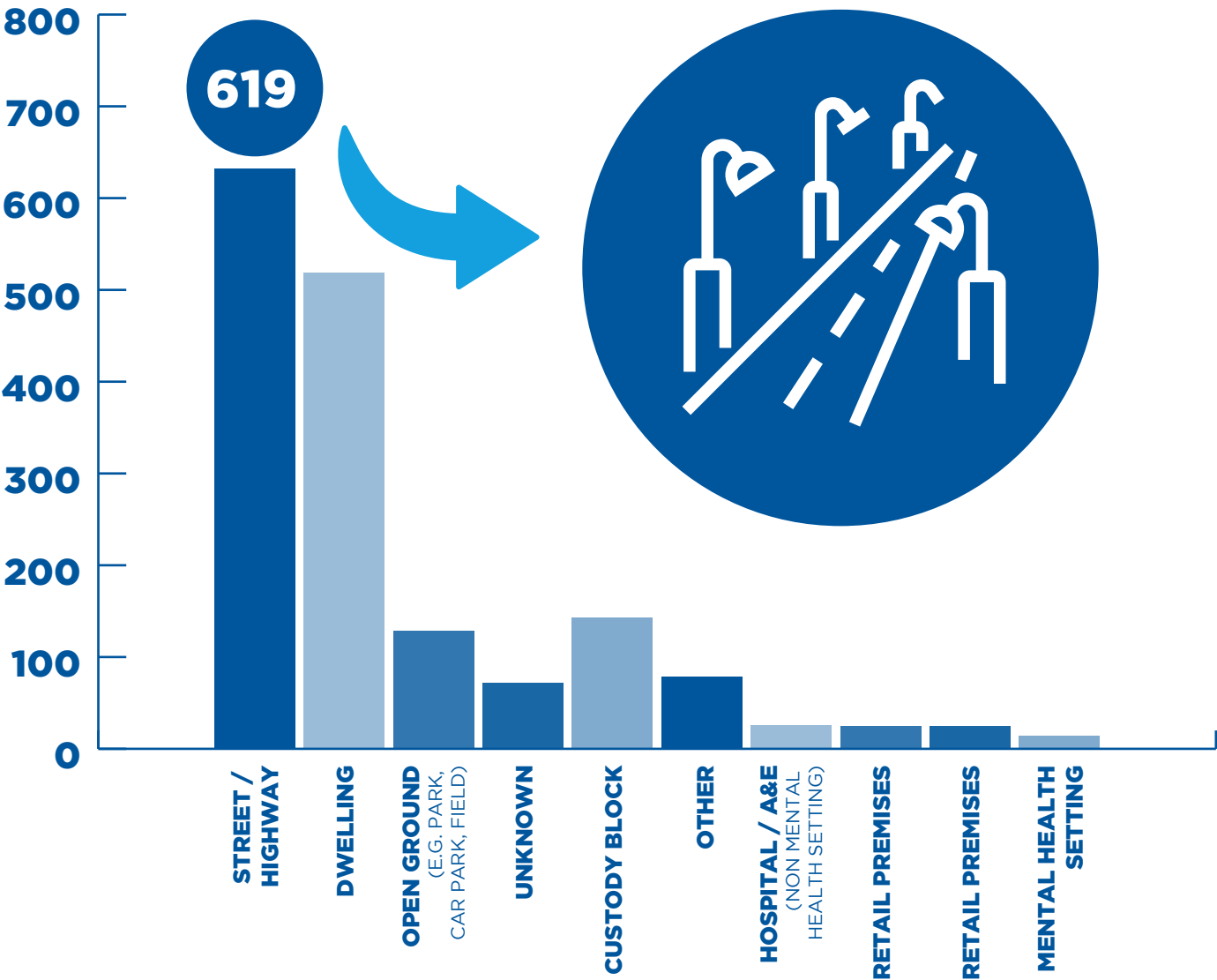
	00:00 to 00:59	01:00 to 01:59	02:00 to 02:59	03:00 to 03:59	04:00 to 04:59	05:00 to 05:59	06:00 to 06:59	07:00 to 07:59	08:00 to 08:59	09:00 to 09:59	10:00 to 10:59	11:00 to 11:59	12:00 to 12:59	13:00 to 13:59	14:00 to 14:59	15:00 to 15:59	16:00 to 16:59	17:00 to 17:59	18:00 to 18:59	19:00 to 19:59	20:00 to 20:59	21:00 to 21:59	22:00 to 22:59	23:00 to 23:59
Mon	27	13	6	2	4	5	1	4	0	5	4	14	11	6	9	12	17	7	15	18	16	10	20	14
Tue	24	7	2	5	0	3	0	3	3	7	11	12	10	6	7	15	13	12	12	5	10	21	22	16
Wed	26	5	7	5	3	1	1	4	3	9	13	10	4	6	20	8	4	8	5	3	13	22	10	12
Thu	15	6	6	3	2	1	1	2	2	9	9	10	12	8	11	3	5	12	12	10	4	9	13	5
Fri	24	14	2	8	4	3	7	9	5	7	5	11	4	4	12	6	15	16	19	17	14	22	30	17
Sat	26	30	20	11	8	3	3	3	5	5	7	7	9	5	8	24	9	5	13	8	9	25	28	24
Sun	55	23	21	5	12	6	9	3	0	4	5	2	9	3	8	5	16	13	8	14	7	13	9	23



SUNDAY  
00:00 to  
00:59

55

## TOP 10 INCIDENT LOCATION TYPE



## IMPACT FACTORS:

50.7%  
cited alcohol

26.9%  
cited drugs

PRIOR KNOWLEDGE

26.9%

MENTAL HEALTH

20%

ACUTE BEHAVIOURAL DISORDER

1.7%

POSSESSION OF A WEAPON

10.8%

CROWD

5.8%

OTHER

20%

SIZE/GENDER/BUILD

37.1%

## TACTIC USED:

There can be multiple factors and tactics per UOF incident

RESTRAINT

9.2%

HANDCUFFS

72%

LIMB RESTRAINT

3.9%

SPIT HOOD

0.6%

UNARMED SKILLS

24.4%

BATON

0.1%

8.6%  
cited taser

4.3%  
cited irritant spray



Internal Audit

FINAL

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

Summary Internal Controls Assurance (SICA) Report

2023/24

March 2024

## 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 5<sup>th</sup> March 2024.

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

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

*Audits completed since previous SICA report – 2023/24*

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
Capital Programme	Substantial	29 <sup>th</sup> September 2023	21 <sup>st</sup> November 2023	23 <sup>rd</sup> November 2023	-	-	-	-
Community Engagement	Substantial	30 <sup>th</sup> October 2023	7 <sup>th</sup> December 2023	14 <sup>th</sup> December 2023	-	-	1	-
Collaborative – Risk Management	Substantial	30 <sup>th</sup> October 2023	24 <sup>th</sup> November 2023	15 <sup>th</sup> December 2023	-	-	1	-
Collaborative – Treasury Management	Substantial	17 <sup>th</sup> November 2023	8 <sup>th</sup> December 2023	18 <sup>th</sup> December 2023	-	-	-	1
Eastern Area – Command Unit	Reasonable	18 <sup>th</sup> August 2023	19 <sup>th</sup> December 2023	5 <sup>th</sup> January 2024	-	2	1	1
Collaborative - Payroll	Substantial	12 <sup>th</sup> January 2024	31 <sup>st</sup> January 2024	1 <sup>st</sup> February 2024	-	-	-	-
Collaborative - Debtors	Substantial	18 <sup>th</sup> January 2024	7 <sup>th</sup> February 2024	8 <sup>th</sup> February 2024	-	-	1	-
ICT Fixed Assets	Reasonable	12 <sup>th</sup> February 2024	26 <sup>th</sup> February 2024	27 <sup>th</sup> February 2024	-	2	1	-

3. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

### Progress against the 2023/24 Annual Plan

4. Our progress against the Annual Plan for 2023/24 is set out in Appendix A.

### Changes to the Annual Plan 2023/24

5. There are no areas where internal audit work is recommended to enable an unqualified Head of Audit Opinion to be provided for 2023/24.

### Progress in actioning priority 1 recommendations

6. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA.

## Root Cause Indicators

7. 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 since the previous quarter.

### *RCI – Direction of Travel Assessment*

Root Cause Indicator	Qtr 3 (2022/23)	Qtr 4 (2022/23)	Qtr 1 (2023/24)	Qtr 2 (2023/24)	Qtr 3 (2023/24)	Medium term Direction of Travel	Audit Observation
<b>Directed</b>							
Governance Framework	-	4% (1)	-	-	11% (1)	↑	
Risk Mitigation	-	-	-	-	-	↔	
Control Compliance	-	96% (24)	84% (20)	-	78% (7)	↑	Majority of recommendations are compliance related.
<b>Delivery</b>							
Performance Monitoring	-	-	4% (1)	-	11% (1)	↑	
Sustainability	-	-	4% (1)	100% (1)		↓	
Resilience	-	-	8% (2)	-		↔	

## Frauds/Irregularities

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

## Other Matters

9. 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
Increasing Cyber Security Threats – no action required as this was just for information

## Responsibility/Disclaimer

10. 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.

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## Progress against Annual Plan -2023-24

System	Planned Quarter	Current Status	Comments
Collaborative – Pan Wales			
Data Protection Act	2	Site work completed	Draft report pending
Risk Management	3	Final Report issued 15 <sup>th</sup> December 2023	Lead Force - Gwent Police
Property Subject to Charge (Evidential Property)	3	Planned start date 29 <sup>th</sup> January 2024	Lead Force – South Wales Police
Treasury Management	3	Draft report issued 15 <sup>th</sup> November 2023	Lead Force – Gwent Police
Payroll	3	Final report issued 1 <sup>st</sup> February 2024	Lead Force – North Wales Police
Counter-Fraud (Anti-Fraud Procurement)	3	Planned start date 11 <sup>th</sup> December 2023	Lead Force – North Wales Police
Debtors	3	Final report issued 8 <sup>th</sup> February 2024	Lead Force – Dyfed-Powys Police
Telematics	4	Planned start date 23 <sup>rd</sup> February 2024	Lead Force – Dyfed-Powys Police
North Wales Police only			
Estates Management – Strategy	1	Final Report Issued 5 <sup>th</sup> July 2023	
Fixed Assets – ICT Assets	1	Final Report issued 27 <sup>th</sup> February 2024	Moved to Q3 at the request of Management – Report delayed due to TIAA waiting for evidence
Eastern Area – Command Unit	1	Final report issued 9 <sup>th</sup> January 2024	
Capital Programme	2	Final report issued 23 <sup>rd</sup> November 2023	
HR Absence Management linked to Agility	2	Deferred to 2024/25	Moved to Q3 then again to Q4 at the request of Management and then deferred o 2024/25 by Management
Occupational Health Unit	2	Final report issued 9 <sup>th</sup> November 2023	
Purchasing/Creditors	2	Draft report issued 4 <sup>th</sup> March 2024	Moved to Q3 at the request of Management

System	Planned Quarter	Current Status	Comments
General Ledger	2	Final report issued 5 <sup>th</sup> September 2023	
ICT Data Assurance	2	Planned start date 11 <sup>th</sup> March 2024	
Procurement	2	Final report issued 9 <sup>th</sup> November 2023	
Budgetary Control	2	Final report issued 9 <sup>th</sup> August 2023	
ICT Change Management	2	Planned start date 11 <sup>th</sup> March 2024	
Community Engagement	3	Final report issued 14 <sup>th</sup> December 2023	
ICT Infrastructure Review	3	Deferred to 2024/25	Deferred to 2024/25 at the request of Management
Governance - Collaborations and Partnerships	3	Planned start date 4 <sup>th</sup> March 2024	Moved to Q4 at the request of Management
Fleet Management – Fuel	3	Draft report issued 4 <sup>th</sup> March 2024	
Follow-upS	3	Planned start date 12 <sup>th</sup> February 2024	
Liaison with Audit Wales	1-4		
Annual Planning	1	Final report issued 23 <sup>rd</sup> June 2022	
Annual Report	4		

**KEY:**

	To be commenced
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	Site work commenced
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	Draft report issued
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	Final report issued
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## 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 were no Priority one 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
February 2024	Increasing Cyber Security Threats		<b>Action Required</b> Executive boards and Audit committees are advised to seek assurance on the effectiveness of their council's Cyber Security Management System, including incident response at IT providers. Further assurance should be sought by regular vulnerability scanning of critical IT services.

### Summary of Recent TIAA Alerts, Insights and Articles

TIAA produce regular briefing notes to summarise new developments in Governance, Risk, Control, Counter Fraud and Security Management which may have an impact on our clients. . A summary list of those briefings recently issued are given below.

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
26 <sup>th</sup> FEBRUARY 2024	All	TIAA Article	As Featured In The Saturday Telegraph – What Is Internal Audit?	<a href="#">As featured in The Saturday Telegraph - What is internal audit? - TIAA</a>	Our recent article, featured in The Saturday Telegraph delves into the world of Internal Audit. Discover what internal audit is, its benefits, and how it empowers businesses of all sizes to achieve their goals and conquer challenges. From enhancing business operations to improving efficiency, internal audits play a crucial role.
5 <sup>th</sup> FEBRUARY 2024	All	Campaign	National Apprenticeship Week	<a href="#">National Apprenticeship Week - TIAA</a>	National Apprenticeship Week is a week-long celebration that brings together businesses and apprentices across the country. Find out how TIAA support our apprentices.

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
28 <sup>th</sup> JANUARY 2024	All	Campaign	Data Privacy Day	<a href="#">Data Privacy Day - TIAA</a>	<p>Data Privacy Day is a global effort, taking place annually on the 28th January that generates awareness about the importance of privacy, highlights easy ways to protect personal information and reminds organisations that privacy is good for business.</p> <p>We provide key advice for organisations on our website.</p>
18 DECEMBER 2023	All	Data Protection Alert	Landmark Artificial Intelligence (AI) Deal Reached By EU	<a href="#">Landmark Artificial Intelligence (AI) deal reached by EU - TIAA</a>	<p>European Union officials have reached a provisional deal on the world's first comprehensive laws to regulate the use of Artificial Intelligence (AI).</p> <p><b>Action Required: Not urgent</b></p> <ul style="list-style-type: none"> <li>• Check whether your organisation already uses AI or when it plans to.</li> <li>• Ensure the AI use is compliant with ICO guidance.</li> </ul>
01 DECEMBER 2023	All	Security Alert	Increase In People Sheltering In Waste Containers	<a href="#">Increase in People Sheltering in Waste Containers - TIAA</a>	<p>This winter, organisations are reminded of the dangers of homeless people and seasonal revellers sleeping in commercial waste containers to avoid the cold weather. <a href="https://www.gov.uk/government/publications/economic-crime-and-corporate-transparency-bill-2022-factsheets/factsheet-failure-to-prevent-fraud-offence">https://www.gov.uk/government/publications/economic-crime-and-corporate-transparency-bill-2022-factsheets/factsheet-failure-to-prevent-fraud-offence</a></p>
30 NOVEMBER 2023	All	Anti-Crime Alert	Salary Sacrifice Scheme Fraud	<a href="#">Salary Sacrifice Scheme Fraud - TIAA</a>	<p><b>Action Required: Not urgent</b></p> <p>The NHS Counter Fraud Authority has uncovered a concerning new scam targeting salary sacrifice schemes. These schemes, offered by many NHS organisations, provide benefits like car leasing or cycle to work programs. Fraudsters are out there, looking to take advantage by using stolen credentials of NHS staff. Ensuring there is a robust policy in place to support the salary sacrifice scheme is key to prevention.</p>
22 NOVEMBER 2023	All	TIAA Blog	"Value For Money" – Looking Beyond The Standard Definition	<a href="#">"Value for Money" - looking beyond the standard definition - TIAA</a>	<p>Discover the true meaning of "Value for Money", we look beyond the traditional definition and explore a new perspective. Gain a fresh understanding of value and uncover how cost, quality and sustainability are the most advantageous combination to achieve best value for money.</p>

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
12th – 18th NOVEMBER 2023	All	Campaign	International Fraud Awareness Week 2023	<a href="#">International Fraud Awareness Week 2023 - TIAA</a>	Hundreds of organisations across the world participated in International Fraud Awareness Week (IFAW) (12th – 18th November 2023) to raise awareness of fraud risks and key reporting lines. The campaign aims to start discussions amongst peers, co-workers, executives and stakeholders in the community about how important fraud prevention is to society as a whole.
10 NOVEMBER 2023	All	Security Alert	Terrorism (Protection Of Premises) Bill Update	<a href="#">Terrorism (Protection of Premises) Bill Update - TIAA</a>	His Majesty King Charles III recently (7th November 2023) performed one of his key duties as monarch, reading the King's Speech at the State Opening of Parliament. This included the proposed Terrorism (Protection of Premises) Bill, also known as Martyn's Law.
01 NOVEMBER 2023	All	Newsletter	Fraud Stop All Sectors – Autumn 2023	<a href="#">Fraud Stop All Sectors – Autumn 2023 - TIAA</a>	The Autumn 2023 edition of our Fraud Stop All Sectors publication features emerging fraud trends identified at organisations, case studies that our specialists have been involved in and methods of fraud prevention.

**Joint Audit Committee**  
**Meeting Date: 28<sup>TH</sup> March 2024**

<b>Title:</b>	Internal Control Report
<b>Author:</b>	Anne Matthews, Finance & Budget Officer
<b>Purpose of the report:</b>	To provide the Joint Audit Committee with an overview of Internal Control activity within the Force
<b>The report is provided to JAC for: (Tick one)</b>	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
<b>Summary / Key Points:</b>	<p>This report focusses on the management response to ongoing Internal Audit issues, focussing on avoiding duplication with the TIAA SICA report where possible. The report includes:</p> <ul style="list-style-type: none"> <li>• The recommendation status from previous TIAA Audits</li> <li>• The recommendations issued with revised due dates for implementation. It should be noted that the HR Absence Management recommendations and O365 recommendations have revised / delayed dates since the last meeting.</li> <li>• The management response regarding Client Briefing Notes, Fraud Alerts, Fraud Articles and Security Alerts issued in the period.</li> <li>• An Update on Limited Assurance audits</li> <li>• Internal Audit Action Updates regarding JAC Actions</li> <li>• 2024/2025 audit plan – The plan is progressing but was still at draft stage at the point of circulating a report. A draft will be shared with JAC members once received by TIAA (ahead of the March JAC meeting).</li> </ul> <p>Supplementary detail is provided by the Appendices to the report, 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>
<b>Recommendations:</b>	None
<b>Risk Register Impact:</b>	TIAA control findings, Client Briefing Notes, Fraud Alerts and Anti-Crime Alerts have been considered for reflection on the Force Risk Register.
<b>Assurance Implications:</b>	This report is directly relevant to Internal Control Activity providing Assurance in North Wales Police.
<b>Equality Impact:</b>	None
<b>Information Exempt from Disclosure:</b>	N/A – All content in Open Session

## JOINT AUDIT COMMITTEE

### INTERNAL CONTROL REPORT – 28<sup>th</sup> March 2024 REPORT OF THE NORTH WALES POLICE AND CRIME COMMISSIONER AND CHIEF CONSTABLE

#### 1. INTRODUCTION

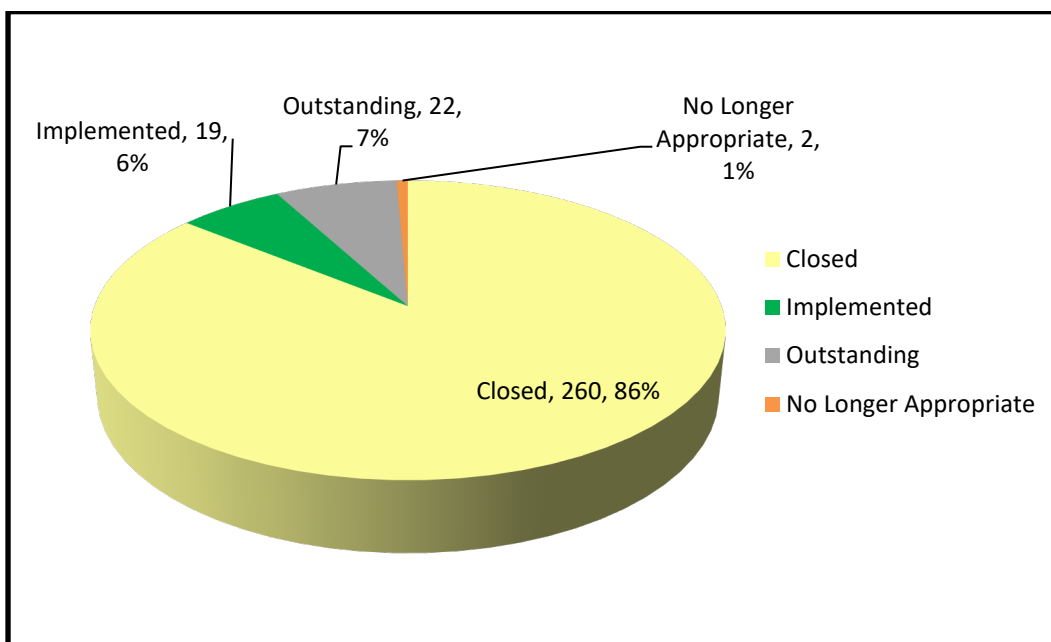
This report focusses on the management response to ongoing Internal Audit issues, focussing on avoiding duplication with the TIAA SICA report where possible.

The report includes:

- The recommendation status from previous TIAA Audits
- The recommendations issued with revised due dates for implementation.
- The management response regarding Client Briefing Notes, Fraud Alerts, Fraud Articles and Security Alerts issued in the period.
- An Update on Limited Assurance audits
- Internal Audit Action Updates regarding 07/12/2023 JAC Actions
- 2024/2025 audit plan - progress
- Summary

#### 2. RECOMMENDATION STATUS OF TIAA AUDITS

The position on Internal Audit recommendations as at 27/02/2024 is outlined below:



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

- 5 new recommendations received during this period.
- 2 new recommendations implemented.
- 1 existing recommendation status change to No Longer Appropriate (NLA)



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

The **accumulative** total of 19 implemented recommendations as at 27/02/2024 is outlined below:

Status Summary - Implemented	Category	No
Implemented on or before original due date	Cat 1	10
Implemented on or before 1st revised due date	Cat 2	3
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	5
		<b>19</b>

The **accumulative** total of 2 NLA recommendation as at 27/02/2024 is outlined below:

Status Summary - NLA Recommendations	Category	No
NLA on or before original due date	Cat 1	2
NLA on or before 1st revised due date	Cat 2	0
NLA on or before 2nd revised due date	Cat 3	0
NLA on or before 3rd revised due date	Cat 4	0
NLA on or before 4th revised due date	Cat 5	0
NLA on or before 5th revised due date	Cat 6	0
NLA after original and/or revised due date	Cat 7	0
		<b>2</b>

\*NLA = No longer Appropriate

Analysis of the 22 outstanding recommendations as at 27/02/2024 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	4
No of Recommendations - 2nd revised due date	Cat 3	12
No of Recommendations - 3rd revised due date	Cat 4	1
No of Recommendations - 4th revised due date	Cat 5	0
No of Recommendations - 5th revised due date	Cat 6	1
No of Recommendations - Overdue	Cat 7	1
		<b>22</b>

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

Analysis of the 22 outstanding recommendations and how they tally to each audit is provided on Appendix 1.

The latest position and update regarding the 22 outstanding recommendations is included in Appendix 2. 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 O365 - Redacted, information in Closed Session Report

Recommendation 249424  
Recommendation 249425  
Recommendation 249426

#### ICT Cyber Security - Redacted, information in Closed Session Report.

Recommendation 269698  
Recommendation 269700.

#### Estates Management Strategy

Recommendation 271957 revised to 31/07/2024 in line with latest management response from Head of Estates and Fleet.

*Arrangements for sustainability and decarbonisation, it was envisaged that it would be a fairly straightforward addition to the document. However, the Strategy requires significantly more work on it than first thought because of the review on the corporate estate. After extensive internal consultation with stakeholders and a detailed space planning exercise, the Business Case for rationalising the corporate estate is only now being finalised by the Portfolio Management Office which will then require further discussion with Chief Officers and the OPCC to decide on the preferred option.*

*The Director of Finance & Resources and Head of Facilities & Fleet have agreed that it would now be prudent to engage a consultant to assist in producing the new strategic estate document as was the case with the Estate Strategies that were produced in 2012 and 2018. This will therefore prolong the timescale as a procurement process is now needed to select a suitable consultant and a period of several months will then be required to familiarise themselves with the estate and assess all the estate data including the proposals for the decarbonisation of the estate. The draft Estate Strategy and accompanying Delivery Plan will then require a period of internal consultation and sign off by the Chief Officers and OPCC. When the previous Estate Strategy was produced in 2018 it took a period of 9 months to go through the whole process. We are not starting afresh on this occasion therefore a 6 month period should be sufficient which takes us to a new target completion date of 31st July 2024.*

#### HR – Use of OLEEO – Collaborative

Recommendation 272557 revised to 31/03/2024 revised in line with latest management response.

*The draft S22a still needs to be finalised by the NWP Legal team; the People and Organisational Collaboration group Chairperson has recognised the value of the software during the uplift.*

*A recommendation by the group has been made to extend the commercial arrangement by 2 years; this was agreed as the Collaboration board held on 19/02/2024.*

*The intention is to now incorporate these developments in the S22a with a meeting between NWP's legal and People team taking place on 06/03/2024 with a view to finalising the draft s22 agreement.*

#### HR Absence Management

The below recommendations have been provisionally revised to 30/04/2024, this may be amended once discussions have taken place with the HR Strategic Advisor. **Further details in section 5 – Update on Limited Assurance audits.**

Recommendation 269283  
Recommendation 269284  
Recommendation 269285  
Recommendation 269286  
Recommendation 269287  
Recommendation 269290  
Recommendation 269292

#### 4. MANAGEMENT RESPONSE REGARDING CLIENT BRIEFING NOTES (CBNs) FRAUD ALERTS, FRAUD ARTICLES AND SECURITY ALERTS INCLUDING THOSE ISSUED IN THE PERIOD - 2024

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 2024_2	1	0	0	0
Fraud Alerts	0	0	0	0
Fraud Articles	0	0	0	0
Security Alerts	0	0	0	0

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

There was one CBN but no Fraud alerts, Fraud articles or security alerts issued in the period 15/11/2023 to 27/02/2024.

##### CBNs

- CBN2024\_2 – Increasing Cyber Security Threats Councils – for information only – circulated and closed.

#### 5. UPDATE ON LIMITED ASSURANCE AUDITS

##### ICT Fixed Assets

2021/2022 Fixed Assets - ICT – Limited Assurance – 6 important recommendations.

As previously reported all recommendations were implemented on 07/06/2022 and closed by TIAA on completion of the Follow Up audit in February/March 2023.

Risk 101 is still on the Force Risk register; the current status of the risk is “Low”.

As previously stated, the Fixed Assets audit was deferred to 2023/2024 and has been booked in during September 2023; it was deferred to allow the new targeted operating model which came into effect on 01/04/2023 to bed in; it is deemed there will be more value if TIAA audit the new process.

The 2023/2024 draft report has been reviewed by Technology Head of Service Management and Integration and returned to TIAA 26/02/2024 for finalisation.

**As the latest audit has attained Reasonable assurance Fixed assets will no longer be reported on in this section moving forward.**

##### Property Subject to Charge (PSTC) – Limited Assurance

2022/23 Property Subject to Charge (PSTC) – Limited Assurance – 12 recommendations.

The PSTC audit was undertaken in September 2022; an extra day was authorised and used to check seized cash exhibits. As per previous report all 12 recommendations were implemented and then closed by TIAA on completion of the Follow Up audit in February/March 2023. Furthermore, since the audit CCTV installations have been completed in early 2024.

PSTC will be undertaken as a collaborative audit with South Wales Police, North Wales Police and Dyfed Powys Police in 2023/2024; this has now been booked in during February 2024.

South Wales Police will lead on this audit; Audit Planning Memorandum has been reviewed and accepted.

Fieldwork in NWP is now complete; awaiting draft report for assurance level, this will be received once TIAA have completed their audits in the other Welsh forces.

Property Subject to Charge will feature in 2024/2025 audit plan.

## HR – Absence Management – Limited Assurance

2022/2023 HR Absence Management – 9 x important and 1 x routine recommendations.

2 recommendations have been implemented.

1 recommendation is within implementation date.

8 recommendations still outstanding. 7 of which have been provisionally revised to 30/04/2024, this may change following discussions with HR Strategic Advisor.

Latest response received from DFR:

*The absence management work stream has been treated as a priority over recent months but despite this the revised deadlines will not be achieved. The current timeline has been revised to the end of April with key points on progress outlined below:*

- *The outgoing Head of HR reached the point of producing a draft Policy.*
- *However, rather than consult on this strategy it was felt further work was still required and so an HR Strategic Adviser was brought into Force to review the work and revisit the draft Policy. Progressing this area has been made a priority for the role.*
- *The work has been progressing over recent weeks with an updated draft policy being prepared based on good practice across Policing.*
- *Alongside this, the need for active absence management has been communicated in the appropriate governance forums and with the appropriate performance statistics being reported as normal. NWP's absence management statistics show a position of being slightly above the national average for Police Officers and slightly below the national average for Police Staff.*

## Health and Safety Management – Limited Assurance

2022/2023 Health and Safety Management (HSM) – 3 x important recommendations

Recommendation 271372 – implemented.

Recommendation 271373 – revised implementation date to February 2024 as agreed at JGB meeting 06/09/2023

Recommendation 271374 - revised implementation date to February 2024 as agreed at JGB meeting 06/09/2023

Recommendations 271373 and 271374 were issued in relation to HSM training being provided to officers and staff as they are promoted to supervisory positions and provision of training to existing Supervisors.

Confirmation received from Head of Training that Trainer has delivered first of the Foundation Modules of the First Line Leadership Programme in November 2023, this incorporated a half-day session on Health and Safety for supervisors which met all the requirements listed in the recommendations.

There are three further foundation modules planned for 2024 (April, August and November). The trainer also recommends to delegates that IOSH training is considered for personal development.

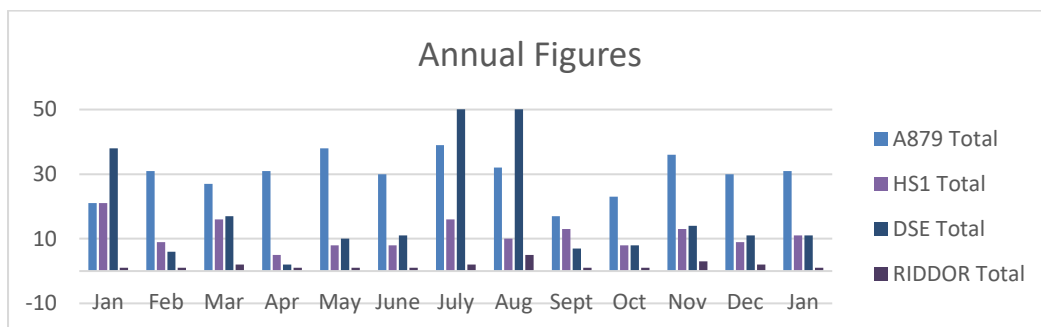
Health and Safety E-learning packages are scoped out to identify what packages address the responsibilities in relation to the DSE, HS1, A879 reporting; mandatory e-learning will be commissioned through the Learning and development Board.

The Training Manager will liaise with the Health and Safety Manager and various trainers that deliver Health and Safety training to ensure that any identified Health and Safety training gaps are picked up as part of ongoing TNA.

TNA = Training Needs Assessment – identifying what existing and future training requirements are and their level of priority.

### **Extract from February 2024 Health and Safety report:**

Below is a graph showing the number of RIDDORs, A879 Injury on Duty, HS1 Near Miss reports and DSE assessments received by the Health and Safety Team.



### Summary:

- RIDDOR reports submitted within statutory time frame to HSE.
- Vast improvement of Line Managers input during January as a result of fortnightly scheduled reports being sent to LPS Superintendents.
- Overall good responses from Line Managers, many of whom, will contact the H&S team for support and advice.
- Health and Safety Manager attends LPS SMT/Managers meetings and provides an update on the new process.

Follow up audit is currently being undertaken.

Health and Safety will feature in the 2024/2025 audit plan possibly as a collaborative audit however this is yet to be confirmed.

## 6. INTERNAL AUDIT ACTION UPDATES STEMMING FROM JAC MEETING

**AP6d (28/09/2023) - Internal Audit Overview Management Response** – Director Finance and Resources to discuss Vetting audit with Finance and Budgets Officer and inform JAC members outside of the meeting as to whether the deadlines for delivery will be missed.

**Person responsible: Director of Finance and Resources/Finance and Budgets Officer (FBO)**

FBO response – discussions held with Force Vetting Manager, DFR and TIAA; this has resulted in this recommendation being deemed no longer appropriate (NLA) and as such has been removed from the outstanding list of recommendations.

The initial finding for this recommendation was a housekeeping exercise and the recommendation was “The back fill of records completion exercise be undertaken as planned.”

JAC can be reassured that progress has been made but priorities have changed and the back record conversions are still being furnished with the person’s files, but this is happening organically now, as that person naturally comes to the attention of the vetting team, and this will continue to happen, rather than a targeted approach to achieve the transfer of files in a specified time frame, this is because those temporary members of the team are still needed to process applications.

In essence, the risk to the organisation is not altered by the BRCs not being filled with the files from the archive as no searches were intended to take place, and the files that still remain on our shared drive are safe until they get moved across so will not be lost.

**07/12/2023 – JAC member asked if NWP have the ability to interrogate data as no conversion of data.**

FBO response – data is held in two places – Corevet system and the Vetting drive; when individuals records are reviewed either due to a change of circumstance, a health check due to a move or they require a re-vet at the renewal stage, these opportunities are taken to back record convert any files onto the system. The vetting team are able to interrogate the data albeit by looking in two places until full back record conversion has been completed.

**It was asked what the timeline would be for all data to be available on the new system.**

As previously stated back record conversion is a housekeeping exercise and is being approached organically rather than a targeted approach.

## **7. 2024/2025 AUDIT PLAN**

Finance and Budget Officer met with Collaborative audit leads from Welsh Forces on 09/02/2024 to discuss which audits could be collaborative for 2024/2025. Suggestions made but not confirmed yet.

Director of Finance, Chief Finance Officer, Head of Finance and Finance and Budgets Officer met on 29/02/2024 to run through proposed 2024/2025 audit plan. Draft plan agreed in principal but confirmation from other Welsh forces in respect of collaborative audits is required.

Once confirmed this draft audit plan will be shared with JAC members. This was shared with TIAA on 01/03/24 and so was not available at the time of writing and so it is likely to be shared outside of the formal March papers.

## **8. SUMMARY**

This report is provided to the Joint Audit Committee to provide assurance around the internal control activity taking place in the period supplementing the information held within the TIAA SICA report.

**Appendix 1** - Analysis of the 22 outstanding recommendations and how they tally to each audit.

No	ID	Service	Job	Year	Risk Area	Type	Recs Monitored Via	Linked to Risk Register
001 002 003	249424 249425 249426	ICT Audit	20/21 Collaborative Project Review – Office 365	2020	Directed Risk	Existing	Quarterly Joint Governance Board; Digital Transformation Board	
004 005 006 007 008 009 010 011	269283 269284 269285 269286 269287 269290 269291 269292	Internal Audit	22/23 HR Absence Management	2022	Directed Risk	New	Quarterly Joint Governance Board; SMT	-
012 013 014 015	269697 269698 269700 269701	ICT Audit	22/23 ICT Cyber Security	2022	Directed Risk	New	Quarterly Joint Governance Board	60 Cyber Security Threats
016 017	271373 271374	Internal Audit	22/23 Health and Safety Management	2022	Directed Risk	New	Quarterly Joint Governance Board; Quarterly SLT; Quarterly Health and Safety Board	-
018	271957	Internal Audit	23/24 Estates Management - Strategy	2023	Directed Risk	New	Quarterly Joint Governance Board; Quarterly Estates & Facilities Board	93. Inadequate financial resources to deliver service plans
019	272557	Internal Audit	22/23 HR – Use of OLEEO - Collaborative	2022	Directed Risk	New	Quarterly Joint Governance Board; All Wales People and Organisational Gold Group; Silver Resourcing Group	-
020	274228	Internal Audit	23/24 Procurement	2023	Delivery Risk	New	Quarterly Joint Governance Board	-
021	275915	Internal Audit	23/24 Community Engagement	2023	Directed Risk	New	Quarterly Joint Governance Board	-
022	276294	Internal Audit	23/24 Eastern Area – Command Unit	2023	Directed Risk	New	Quarterly Joint Governance Board	-

## Appendix 2 – Latest Management Response relating to Outstanding Recommendations

### Overview

Priority Level	No	ID	Job	Original Due Date	Revised Due Date	No of Recs
2	001	249424	20/21 Collaborative Project Review – Office 365	31/03/2022	01/04/2025	1
	002	249425	20/21 Collaborative Project Review – Office 365	30/09/2023	01/04/2025	1
	004	269283	22/23 HR Absence Management	30/09/2023	30/04/2024 (PROVISIONAL)	1
	005	269284	22/23 HR Absence Management	30/09/2023	30/04/2024 (PROVISIONAL)	1
	006	269285	22/23 HR Absence Management	30/09/2023	30/04/2024 (PROVISIONAL)	1
	007	269286	22/23 HR Absence Management	30/09/2023	30/04/2024 (PROVISIONAL)	1
	008	269287	22/23 HR Absence Management	30/09/2023	30/04/2024 (PROVISIONAL)	1
	009	269290	22/23 HR Absence Management	30/09/2023	30/04/2024 (PROVISIONAL)	1
	010	269291	22/23 HR Absence Management	30/04/2024		
	012	269697	22/23 ICT-Cyber Security	30/09/2023	31/01/2024	1
	013	269698	22/23 ICT-Cyber Security	30/09/2023	31/05/2024	1
	014	269700	22/23 ICT-Cyber Security	30/09/2023	30/04/2024	1
	015	269701	22/23 ICT-Cyber Security	31/03/2024		
	016	271373	22/23 Health and Safety Management	30/06/2023	29/02/2024	1
	017	271374	22/23 Health and Safety Management	30/06/2023	29/02/2024	1
3	019	272557	22/23 HR – Use of OLEEO - Collaborative	30/11/2023	31/03/2024	1
	020	274228	23/24 Procurement	31/03/2024		
	022	276294	23/24 Eastern Area – Command Unit	30/09/2023	31/03/2024	1
	003	249426	20/21 Collaborative Project Review – Office 365	30/09/2022	30/06/2024	1
	011	269292	22/23 HR Absence Management	30/09/2023	30/04/2024 (PROVISIONAL)	1
	018	271957	23/24 Estates Management - Strategy	30/11/2023	31/07/2024	1
	021	275915	23/24 Community Engagement	31/01/2024	31/03/2024	1
Grand Total						22



No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
001	249424	REDACTED									
002	249425	REDACTED									
003	249426	REDACTED									
004	269283	22/23 HR Absence Management	Directed Risk	The Absence Management Policy be updated to include specific information and a clear process on managing long term sickness absence.	2	There is reference to the capability procedure for staff and UAP for Officers but there is little appetite to use these tools when managing long term cases. Include as part of the review of the Attendance Management Policy via a designated Task & Finish group. The implementation date has been reached by considering the time frame for the review of the policy and the consultation process prior to the policy being ratified.	Head of HR	30/09/2023	30/04/2024 (PROVISIONAL)	3	<p>20/06/2023 - Update received from Head of HR - The work on the policy is progressing and we have already shared an outline proposal with Fed/UNISON and will be going out to SMT's shortly. Once we have completed this we can then move this forward to formal consultation and thereafter implementation. I would emphasise that this is an extensive piece of work to be delivered and not a list of actions.</p> <p>08/09/2023 - Update received from Head of HR - The work on the policy continues to progress but is still to reach a position to launch the formal consultation phase. The timeline of the end of September is currently being reviewed to ensure completion dates are achievable.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended.</p> <p>DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023.</p> <p>FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - Despite making this a priority progress to date remains limited. An action was assigned after the last audit committee at the Strategic People Board to establish milestones and deadlines. However, despite a plan being developed timelines and details still require further work. Staff changes in the department is further compounding the issue on progress. Despite this, in the short term the work remains a priority area.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
005	269284	22/23 HR Absence Management	Directed Risk	Long term sickness cases be documented and reviewed on a regular basis in line with the Absence Management Policy requirement when it is updated.	2	There was evidence of contact but limited detail on the management of these cases. Include as part of the review of the Attendance Management Policy via a designated Task & Finish group. The implementation date has been reached by considering the time frame for the review of the policy and the consultation process prior to the policy being ratified.	Head of HR	30/09/2023	30/04/2024 (PROVISIONAL)	3	<p>20/06/2023 - Update received from Head of HR - The work on the policy is progressing and we have already shared an outline proposal with Fed/UNISON and will be going out to SMT's shortly. Once we have completed this we can then move this forward to formal consultation and thereafter implementation. I would emphasise that this is an extensive piece of work to be delivered and not a list of actions.</p> <p>08/09/2023 - Update received from Head of HR - The work on the policy continues to progress but is still to reach a position to launch the formal consultation phase. The timeline of the end of September is currently being reviewed to ensure completion dates are achievable.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended. DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023. FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - Despite making this a priority progress to date remains limited. An action was assigned after the last audit committee at the Strategic People Board to establish milestones and deadlines. However, despite a plan being developed timelines and details still require further work. Staff changes in the department is further compounding the issue on progress. Despite this, in the short term the work remains a priority area.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
006	269285	22/23 HR Absence Management	Directed Risk	The Absence Management Policy be updated to explicitly state what the force recognises as a trigger point for further intervention or closer monitoring.	2	Consultation will take place on what approach the Force wants to take in relation to triggers and this will be built into the new policy. The implementation date has been reached by considering the time frame for the review of the policy and the consultation process prior to the policy being ratified.	Head of HR	30/09/2023	30/04/2024 (PROVISIONAL)	3	<p>20/06/2023 - Update received from Head of HR - The work on the policy is progressing and we have already shared an outline proposal with Fed/UNISON and will be going out to SMT's shortly. Once we have completed this we can then move this forward to formal consultation and thereafter implementation. I would emphasise that this is an extensive piece of work to be delivered and not a list of actions.</p> <p>08/09/2023 - Update received from Head of HR - The work on the policy continues to progress but is still to reach a position to launch the formal consultation phase. The timeline of the end of September is currently being reviewed to ensure completion dates are achievable.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended. DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023. FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - Despite making this a priority progress to date remains limited. An action was assigned after the last audit committee at the Strategic People Board to establish milestones and deadlines. However, despite a plan being developed timelines and details still require further work. Staff changes in the department is further compounding the issue on progress. Despite this, in the short term the work remains a priority area.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
007	269286	22/23 HR Absence Management	Directed Risk	The management of cases of absence breaching the trigger point be improved and it be ensured that all cases are documented appropriately.	2	Once triggers have been agreed in policy, regular reports will be shared with SMT's to drive forward this approach. Supportive plans to be put in place to improve attendance and support with welfare. The implementation date has been reached by considering the time frame for the review of the policy and the consultation process prior to the policy being ratified.	Head of HR	30/09/2023	30/04/2024 (PROVISIONAL)	3	<p>20/06/2023 - Update received from Head of HR - The work on the policy is progressing and we have already shared an outline proposal with Fed/UNISON and will be going out to SMT's shortly. Once we have completed this we can then move this forward to formal consultation and thereafter implementation. I would emphasise that this is an extensive piece of work to be delivered and not a list of actions.</p> <p>08/09/2023 - Update received from Head of HR - The work on the policy continues to progress but is still to reach a position to launch the formal consultation phase. The timeline of the end of September is currently being reviewed to ensure completion dates are achievable.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended. DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023. FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - Despite making this a priority progress to date remains limited. An action was assigned after the last audit committee at the Strategic People Board to establish milestones and deadlines. However, despite a plan being developed timelines and details still require further work. Staff changes in the department is further compounding the issue on progress. Despite this, in the short term the work remains a priority area.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
008	269287	22/23 HR Absence Management	Directed Risk	The Absence Management Policy be updated to include the requirement for staff to complete a self-certification form following any period of sickness absence.	2	Consultation on whether the Force wishes to implement self-certification will be undertaken and as necessary this will be built into the policy. The implementation date has been reached by considering the time frame for the review of the policy and the consultation process prior to the policy being ratified.	Head of HR	30/09/2023	30/04/2024 (PROVISIONAL)	3	<p>20/06/2023 - Update received from Head of HR - The work on the policy is progressing and we have already shared an outline proposal with Fed/UNISON and will be going out to SMT's shortly. Once we have completed this we can then move this forward to formal consultation and thereafter implementation. I would emphasise that this is an extensive piece of work to be delivered and not a list of actions.</p> <p>08/09/2023 - Update received from Head of HR - The work on the policy continues to progress but is still to reach a position to launch the formal consultation phase. The timeline of the end of September is currently being reviewed to ensure completion dates are achievable.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended. DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023. FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - Despite making this a priority progress to date remains limited. An action was assigned after the last audit committee at the Strategic People Board to establish milestones and deadlines. However, despite a plan being developed timelines and details still require further work. Staff changes in the department is further compounding the issue on progress. Despite this, in the short term the work remains a priority area.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
009	269290	22/23 HR Absence Management	Delivery Risk	The force intranet be updated in line with the Absence Management Policy once the review has been completed.	2	Resources will be developed in tangent with the policy review. The implementation date has been reached by considering the time frame for the review of the policy and the consultation process prior to the policy being ratified.	Head of HR	30/09/2023	30/04/2024 (PROVISIONAL)	3	<p>20/06/2023 - Update received from Head of HR - The work on the policy is progressing and we have already shared an outline proposal with Fed/UNISON and will be going out to SMT's shortly. Once we have completed this we can then move this forward to formal consultation and thereafter implementation. I would emphasise that this is an extensive piece of work to be delivered and not a list of actions.</p> <p>08/09/2023 - Update received from Head of HR - The work on the policy continues to progress but is still to reach a position to launch the formal consultation phase. The timeline of the end of September is currently being reviewed to ensure completion dates are achievable.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended. DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023. FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - Despite making this a priority progress to date remains limited. An action was assigned after the last audit committee at the Strategic People Board to establish milestones and deadlines. However, despite a plan being developed timelines and details still require further work. Staff changes in the department is further compounding the issue on progress. Despite this, in the short term the work remains a priority area.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
010	269291	22/23 HR Absence Management	Delivery Risk	Mandatory training for Line Managers with responsibilities for managing sickness absence be delivered to ensure the correct and consistent procedures are followed for every case of sickness absence.	2	HR provide coaching on individual cases and briefings at local People Panels. This will be reviewed in line with first line management training from CoP to ensure that any gaps are bridged.	Head of HR	30/04/2024		1	<p>20/06/2023 - Update received from Head of HR - we have developed modules on Attendance Management for the first line leadership training (this was due to take place in June but has been cancelled, the next sessions are in October). Whilst that covers new first line managers, there is still a matter of wider training for line managers which I do not have ownership of. What we have discussed, is accompanying guidance, support, coaching and tools for managers which will be developed as part of the wider project and will align with the policy and procedure that is proposed and agreed. So whilst we have begun to offer some training, this is more focussed currently on best practice and principles until we firm up the new policy and roll it out.</p> <p>08/09/2023 - Update received from Head of HR -Further development of the approach is dependent on the new policy being defined which remains a work in progress.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended.</p> <p>DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023.</p> <p>FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - 20/11/2023 – Training materials are being developed with the completion date currently regarded as on track.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>

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011	269292	22/23 HR Absence Management	Directed Risk	Return to work interviews be included as standard within the Absence Management Policy for staff and officers returning to work from a period of sickness absence (the length of absence to be determined, although generally would apply to all absences).	3	Incorporated into review of policy as outlined above via T&F group. The implementation date has been reached by considering the time frame for the review of the policy and the consultation process prior to the policy being ratified.	Head of HR	30/09/2023	30/04/2024 (PROVISIONAL)	3	<p>20/06/2023 - Update received from Head of HR - The work on the policy is progressing and we have already shared an outline proposal with Fed/UNISON and will be going out to SMT's shortly. Once we have completed this we can then move this forward to formal consultation and thereafter implementation. I would emphasise that this is an extensive piece of work to be delivered and not a list of actions.</p> <p>08/09/2023 - Update received from Head of HR - The work on the policy continues to progress but is still to reach a position to launch the formal consultation phase. The timeline of the end of September is currently being reviewed to ensure completion dates are achievable.</p> <p>28/09/2023 - DFR advised JAC on 28/09/2023 that the timelines for a number of recommendations raised within the HR Absence Management will be extended. DFR raised at Strategic People Group – Head of HR and Corporate Superintendent are going to meet to discuss a milestone plan with dates. An update will be provided at the next Joint Audit Committee meeting 07/12/2023. FBO will update reports, TIAA portal and revise implementation date once information received.</p> <p>20/11/2023 - Update received from DFR - Despite making this a priority progress to date remains limited. An action was assigned after the last audit committee at the Strategic People Board to establish milestones and deadlines. However, despite a plan being developed timelines and details still require further work. Staff changes in the department is further compounding the issue on progress. Despite this, in the short term the work remains a priority area.</p> <p><b>26/02/2024 - Update received from DFR - revised due date provisionally changed to 30/04/2024.</b></p> <ul style="list-style-type: none"> <li>•The absence management work stream has been treated as a priority over recent months.</li> <li>•The outgoing Head of HR reached the point of producing a draft strategy.</li> <li>•Rather than consult on this strategy an HR strategic adviser has been brought into the Force to review the work and progress the Policy.</li> <li>•This has been progressing over recent weeks with an updated draft policy being prepared.</li> <li>•Alongside this, the need for active absence management has been communicated in the appropriate governance forums.</li> </ul>
012	269697	REDACTED									
013	269698	REDACTED									
014	269700	REDACTED									
015	269701	REDACTED									



No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
016	271373	22/23 Health and Safety Management	Directed Risk	Health and safety training be provided to officers / members of staff as they are promoted to supervisory positions with an emphasis on their responsibility in reporting accidents to an appropriate deadline.	2	<p>Head of L&amp;D to agree on a process to ensure that managers and supervisors, who upon promotion, are given an appropriate health and safety input by a force trainer, outlining their responsibilities in terms of a) investigating injuries and near miss incidents, and b) recording their findings in line with the law and the Force's H&amp;S Policy. In addition, Line managers/supervisors, will be provided with key information in terms of RIDDOR reporting, e.g., what categories of injuries and near misses fall under RIDDOR, and, critically what the decision-making process is to ensure that RIDDOR reports are submitted to HSE within the 15-day statutory deadline by the Force's Health and Safety Manager without exception. Note: Need to Know relating to the above circulated to all NWP employees twice in 2022/23.</p> <p>HSM submits a report on a monthly basis to DFR who in turn reports relevant issues to the Senior Force Governance Forum to ensure that Command and SMT units take responsibility and held to account in terms of the correct reporting process relating to the reporting of Injuries, Near Misses and DSEs, and fundamentally, the recording of Line Managers investigations to ensure the safety and welfare of staff under their command.</p>	Head of L&D	30/06/2023	29/02/2024	2	<p>07/11/2023 - FBO revised implementation date to 29/02/2024 as agreed at JGB and in line with the update dated 08/09/2023. FBO also included extract of October Health and Safety Board report in JGB and JAC report.</p> <p>In summary Compliance levels in terms of Line Managers investigating and recording findings on injury, near miss and DSE forms have increased. HSM continues to send Actions to LMs to investigate and record their findings. Reporting system developed with the aid of LPS Business Managers; to be rolled out in November 2023 to LPS initially to gauge how the new system is working, expected rollout date to other departments December 2023. Quarterly reports issued to Chief Constable HSM report scheduled to Health and Safety Team fortnightly LPS report scheduled monthly Area reports scheduled fortnightly</p> <p><b>19/02/2024 - FBO included extract of February 2024 Health and Safety report in JGB report.</b></p> <p><b>Summary:</b> <b>RIDDOR reports submitted within statutory time frame to HSE.</b> <b>Vast improvement of Line Managers input during January as a result of fortnightly scheduled reports being sent to LPS Superintendents.</b> <b>Overall good responses from Line Managers, many of whom, will contact the H&amp;S team for support and advice.</b> <b>Health and Safety Manager attends LPS SMT/Managers meetings and provides an update on the new process.</b></p> <p><b>27/02/2024 - Confirmation received from Head of Training that Trainer has delivered first of the Foundation Modules of the First Line Leadership Programme in November 2023, this incorporated a half-day session on Health and Safety for supervisors which met all the requirements listed in the recommendations.</b></p> <p><b>There are three further foundation modules planned for 2024 (April, August and November). The trainer also recommends to delegates that IOSH training is considered for personal development.</b></p> <p><b>Health and Safety E-learning packages are scoped out to identify what packages address the responsibilities in relation to the DSE, HS1, A879 reporting; mandatory e-learning will be commissioned through the Learning and development Board.</b></p> <p><b>The Training Manager will liaise with the Health and Safety Manager and various trainers that deliver Health and Safety training to ensure that any identified Health and Safety training gaps are picked up as part of ongoing TNA.</b></p> <p><b>TNA = Training Needs Assessment – identifying what existing and future training requirements are and their level of priority.</b></p>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
017	271374	22/23 Health and Safety Management	Directed Risk	All Officers / members of staff in supervisory positions be provided with health and safety training that outlines their responsibility in submitting A879, HS1 and DSE forms and the risks to the organisation caused by lack of compliance with HSE regulation.	2	<p>Newly promoted supervisors and managers, attending courses, will be provided with an appropriate DSE input and presentation by a force trainer in terms of their responsibilities to staff working from home and in an office environment (place of work). Note: Need to Know and presentation circulated to all NWP employees twice in 2022/23.</p> <p>HSM submits a report on a monthly basis to DFR who in turn reports relevant issues to the Senior Force Governance Forum to ensure that Command and SMT units take responsibility and held to account in terms of the correct reporting process relating to the reporting of Injuries, Near Misses and DSEs, and fundamentally, the recording of Line Managers investigations to ensure the safety and welfare of staff under their command</p>	Head of L&D	30/06/2023	29/02/2024	2	<p>07/11/2023 - FBO revised implementation date to 29/02/2024 as agreed at JGB and in line with the update dated 08/09/2023. FBO also included extract of October Health and Safety Board report in JGB and JAC report.</p> <p>In summary Compliance levels in terms of Line Managers investigating and recording findings on injury, near miss and DSE forms have increased. HSM continues to send Actions to LMs to investigate and record their findings. Reporting system developed with the aid of LPS Business Managers; to be rolled out in November 2023 to LPS initially to gauge how the new system is working, expected rollout date to other departments December 2023. Quarterly reports issued to Chief Constable HSM report scheduled to Health and Safety Team fortnightly LPS report scheduled monthly Area reports scheduled fortnightly</p> <p><b>19/02/2024 - FBO included extract of February 2024 Health and Safety report in JGB report.</b></p> <p><b>Summary:</b> RIDDOR reports submitted within statutory time frame to HSE. Vast improvement of Line Managers input during January as a result of fortnightly scheduled reports being sent to LPS Superintendents. Overall good responses from Line Managers, many of whom, will contact the H&amp;S team for support and advice. Health and Safety Manager attends LPS SMT/Managers meetings and provides an update on the new process.</p> <p><b>27/02/2024 - Confirmation received from Head of Training that Trainer has delivered first of the Foundation Modules of the First Line Leadership Programme in November 2023, this incorporated a half-day session on Health and Safety for supervisors which met all the requirements listed in the recommendations.</b></p> <p>There are three further foundation modules planned for 2024 (April, August and November). The trainer also recommends to delegates that IOSH training is considered for personal development.</p> <p>Health and Safety E-learning packages are scoped out to identify what packages address the responsibilities in relation to the DSE, HS1, A879 reporting; mandatory e-learning will be commissioned through the Learning and development Board.</p> <p>The Training Manager will liaise with the Health and Safety Manager and various trainers that deliver Health and Safety training to ensure that any identified Health and Safety training gaps are picked up as part of ongoing TNA.</p> <p>TNA = Training Needs Assessment – identifying what existing and future training requirements are and their level of priority.</p>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
018	271957	23/24 Estates Management - Strategy	Directed Risk	The Estates Strategy be reviewed and updated to reflect current and future strategic arrangements for sustainability and decarbonisation.	3	There are some significant strategic decisions to be made during 2023 regarding the Force's Corporate Estate which will require updating of the Estate Strategy and the Implementation Plan as part of the 'Fit for the Future' corporate objectives. That will be the appropriate time to elaborate on the Force's strategic intentions in relation to sustainability and decarbonisation.	Head of Facilities and Fleet	30/11/2023	31/07/2024	3	<p>31/08/2023 - Update from Head of Facilities and Fleet - the Estates Strategy is under review and discussions are ongoing with relevant parties.</p> <p>06/11/2023 - Update received from Head of Facilities and Fleet - this is still work in progress and I am aiming to have the draft revised Strategy done by 30/11/2023, ready for the next Fit for the Future Board on 18/12/2023.</p> <p>04/12/2023 - clarification received from Head of Facilities and Fleet - implementation date revised in line with the Fit for Future Board meeting taking place on 18/12/2023.</p> <p><b>06/02/2024 - Update received from Head of Facilities and Fleet - arrangements for sustainability and decarbonisation it was envisaged that it would be a fairly straightforward addition to the document. However, the Strategy requires significantly more work on it than first thought because of the review on the corporate estate. After extensive internal consultation with stakeholders and a detailed space planning exercise, the Business Case for rationalising the corporate estate is only now being finalised by the Portfolio Management Office which will then require further discussion with Chief Officers and the OPCC to decide on the preferred option.</b></p> <p>The Director of Finance &amp; Resources and Head of Facilities &amp; Fleet have agreed last week that it would now be prudent to engage a consultant to assist in producing the new strategic estate document as was the case with the Estate Strategies that were produced in 2012 and 2018. This will therefore prolong the timescale as a procurement process is now needed to select a suitable consultant and a period of several months will then be required to familiarise themselves with the estate and assess all the estate data including the proposals for the decarbonisation of the estate. The draft Estate Strategy and accompanying Delivery Plan will then require a period of internal consultation and sign off by the Chief Officers and OPCC. When the previous Estate Strategy was produced in 2018 it took a period of 9 months to go through the whole process. We are not starting afresh on this occasion therefore a 6 month period should be sufficient which takes us to a new target completion date of 31st July 2024.</p>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
019	272557	22/23 HR – Use of OLEEO - Collaborative	Directed Risk	The Section 22 National Collaboration Agreement in relation to 'The provision of an all-Wales e-recruitment platform' be finalised and agreed and signed by each force.	2	The North Wales Director of Finance has been liaising with his counterparts in the other Welsh Forces in order to progress the signing of the S22 agreement. Timetable is 3 months to enable progress through different Force Governance arrangements.	Director of Finance and Resources, NWP	30/11/2023	31/03/2024	3	<p>10/11/2023 - Update received from DFR - DFR has discussed the S22a with Head of POD and Legal Services. Having agreed the points of clarification the next step is to finalise the s22a and circulate for sign off within the forces.</p> <p>03/12/2023 - Update received from DFR - implementation date to be revised in line the next Collaboration board which is taking place on 19/02/2024.</p> <p><b>26/02/2024 - update received from DFR - The draft S22a still needs to be finalised by the NWP Legal team; the People and Organisational Collaboration group Chairman has recognised the value of the software during the uplift.</b></p> <p><b>A recommendation by the group has been made to extend the commercial arrangement by 2 years; this was agreed as the Collaboration board held on 19/02/2024.</b></p> <p><b>The intention is to now incorporate these developments in the S22a with a meeting between NWP's legal and People team taking place on 06/03/2024 with a view to finalising the draft s22 agreement.</b></p>
020	274228	23/24 Procurement	Delivery Risk	The Social Value Policy, Social Value Charter and Social Value Guidance documents be reviewed and updated to reflect current practices.	2	Recommendation is accepted. The OPCC will approach the same independent consultant that was commissioned to write the Policy in order to carry out the review. At the time of writing the exact timescales are still to be confirmed. A meeting is set to take place on 27/09/2023 so the timeline of 31/03/2024 is an estimate.	Chief Finance Officer	31/03/2024		1	<p><b>05/02/2024 Update received from OPCC CEO - The work is still ongoing. Initial drafts have been prepared which we are due to review in the next week or so. The deadline of 31st March remains ok.</b></p>
021	275915	23/24 Community Engagement	Directed Risk	North Wales Police Engagement Strategy be approved and implemented as planned.	3	The engagement strategy has been finalised, though local County specific plans are being worked through draft stages to ensure we are clear and explicit on our localised approach.	LPS Superintendent	31/01/2024	31/03/2024	2	<p>21/12/2023 - Update received from Superintendent, LPS - The strategy is complete, I had the final revisions yesterday from Printing Department; I just need to finally review.</p> <p><b>05/02/2024 Update received from Superintendent, LPS - The engagement strategy is complete, and I am satisfied with content. However due to a request from Head of Corporate Services that all force strategies are compiled in the corporate strategy template with an associated delivery plan this has required some revisions and is just with Design and Print to merge the agreed strategy into the required format.</b></p> <p><b>This will then just require an Equality Impact Assessment, consultation facilitated by Sian Wyn Jones and then to go through the Force Assurance Board.</b></p> <p><b>I chased print office on Friday so hopefully will have back this week but then, as stated will need to go through consultation and assurance board. As a result, the implementation date has been revised to 31/03/2024.</b></p>

No	ID	Job	Risk Area	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Category	Latest Response
022	276294	23/24 Eastern Area – Command Unit	Directed Risk	Captors be marked as disposed of on the RMS system as appropriate, in line with the College of Policing's Authorised Professional Guidance (APP) on Armed Policing.	2	A new process has been put in place whereby captors will now be checked in at Custody suites as per usual when officers return them, and then checked out to the Force armoury at HQ, and then moved by logistics. On arrival they will be checked in at the armoury and then marked as disposed of when they are picked up by Civil Defence team for disposal. A backlog of checked in captors is in the process of being moved to the Armoury so it is anticipated that most of the 805 captors mentioned will soon have a disposal note against them. Records will then be rechecked to identify those with no disposal note.	LPS Business Manager	30/09/2023	31/03/2024	2	<p>06/02/2024 Update from FBO - as per management comments a new process is now in place (June 2023). Copy of process map sent to auditor.</p> <p><b>12/02/2024 - update from Business Manager - we are still working through the backlog, there have been large abstractions in custody; the Custody Sergeants have not had time to get through the back log at all of the sites. I am going over to the armoury next week to record some myself.</b></p> <p><b>On further investigation it has become apparent that a large number of these 805 captors are very old and are pre the 'disposal recording' process on RMS. These records have been "checked in" under previous processes and these "checked in" redundant captors would have been collected by Stores and returned to Civil Defence in bulk; in this instance the records will remain as checked in on our system.</b></p> <p><b>In some cases there will be a manual record of the captor having been sent to Civil Defence for disposal, in the form of a scanned in document list of captor numbers returned.</b></p> <p><b>Civil Defence have been contacted and they have confirmed that they do not retain lists of destroyed captors.</b></p> <p><b>Captors that are currently redundant and recorded on RMS will be updated to "disposed" once details have been collated in the armoury and captors returned to Civil Defence.</b></p> <p><b>We are aiming to complete this exercise by 31/03/2024.</b></p>

Appendix 3 – Recommendation Categorisation

“Priority” refers to the implementation timeline to adopt:

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

<b>Title:</b>	Risk Management Report (Open Session)
<b>Author:</b>	Neil T. Ackers, Risk and Business Continuity Lead
<b>Purpose of the report:</b>	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.
<b>The report is provided to JAC for: (tick one)</b>	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
<b>Summary / Key Points:</b>	<ul style="list-style-type: none"> <li>• 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'.</li> <li>• 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).</li> <li>• 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"> <li>• Senior Management Team Meetings</li> <li>• Strategic Management Board</li> <li>• Strategic Executive Board</li> <li>• Excellent Service Delivery Board</li> <li>• Fit for the Future Board</li> <li>• Strategic People Board</li> <li>• Strategic Change and Collaboration Board</li> <li>• Technology Board</li> <li>• Assurance Board</li> </ul> </li> <li>• A summary of live NWP and OPCC risks recorded on the Force Risk Register 17<sup>th</sup> November 2023 – 5<sup>th</sup> March 2024</li> <li>• <b>New NWP risks recorded on Force Risk Register since last report.</b> <ul style="list-style-type: none"> <li>• Risk 123 Leavers Process</li> <li>• Risk 124 REDACTED CLOSED SESSION</li> <li>• Risk 125 REDACTED CLOSED SESSION</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• <b>New OPCC risks recorded on Force Risk Register since last report.</b> <ul style="list-style-type: none"> <li>• Risk 126 REDACTED CLOSED SESSION</li> </ul> </li> <li>• <b>NWP Risks removed from Force Risk Register since last report.</b> <ul style="list-style-type: none"> <li>• Risk 094 REDACTED CLOSED SESSION</li> <li>• Risk 099 REDACTED CLOSED SESSION</li> <li>• Risk 106 REDACTED CLOSED SESSION</li> <li>• Risk 111 Lack of Force Medical Advisor Cover</li> <li>• Risk 116 Loss of Trust and Confidence in NWP</li> </ul> </li> <li>• <b>OPCC Risks removed from Force Risk Register since last report.</b></li> <li>• <b>NWP Risk Changes on Force Risk Register since last report.</b> <ul style="list-style-type: none"> <li>• Risk 60 REDACTED CLOSED SESSION</li> </ul> </li> <li>• <b>OPCC Risk Changes on Force Risk Register since last report.</b></li> <li>• <b>Force Risk Register which included OPCC Risks.</b></li> <li>• <b>Risk Actions RAG Ratings – NWP</b></li> <li>• <b>Risk Actions RAG Ratings - OPCC</b></li> <li>• <b>Force COVID19 Risk Register.</b></li> <li>• <b>Developments regarding risk management.</b> <ul style="list-style-type: none"> <li>○ Peer Review by South Wales Police</li> </ul> </li> <li>• <b>A summary table of NWP risks recorded on the Force Risk Register as at 05/03/24.</b></li> <li>• <b>A summary table of OPCC risks recorded on the Force Risk Register as at 05/03/24.</b></li> </ul>
<b>Recommendations:</b>	None
<b>Risk Register Impact:</b>	This report is based on details recorded on both the Force Risk Register and Covid19 Risk Register
<b>Assurance Implications:</b>	This report is directly relevant to the development of assurance in North Wales Police
<b>Equality Impact:</b>	None
<b>Information Exempt from Disclosure:</b>	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 5<sup>th</sup> March 2024 on the Force Risk Register version 6.287.

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 Practice Guide v1.10

## 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 relevant 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 Senior Management Team's (SMT's) via their risk highlight reports. Risks are also reported to and reviewed at the Senior Management Team (SMT) Meetings, Strategic Management Board (SMB), Strategic Executive Board (SEB), Excellent Service Delivery Board, Fit for the Future Board, Strategic People Board (SPB), Strategic Change and Collaboration Board (SCCB) and Technology 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 17<sup>th</sup> November 2023 – 5<sup>th</sup> March 2024**

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	11	2	0	10 *
High	16	3	3	15 *
Medium	1	0	0	1
Total	28	5	3	27*

\* Risk 60 REDACTED CLOSED SESSION rescored on 10/01/24 and Before Controls Risk Level amended from HIGH to CRITICAL

**Table 2: - OPCC risks on the Force Risk Register 17<sup>th</sup> November 2023 – 5<sup>th</sup> March 2024**

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	2	0	1	3
Medium	0	0	0	0
Total	3	0	1	4

**Table 3: - Summary 30 Live Risks on Force Risk Register by SMT as of 5<sup>th</sup> March 2024. These are broken down into North Wales Police Risks and OPCC Risks as follows:**

SMT	Risk Before Control Levels			Totals
	Critical	High	Medium	
Corporate Services incl. POD	0	1	0	1
Crime Services	3	5	0	8
Finance & Resources	7	5	1	13
Local Policing Service	0	0	0	0
Operational Support Services	0	4	0	4
OPCC	1	3	0	4
<b>TOTAL NWP AND OPCC RISKS ON RISK REGISTER</b>	<b>11</b>	<b>18</b>	<b>1</b>	<b>30</b>

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

There have been 3 new NWP risks added to the Force Risk Register since the last JAC risk report.

- **Risk 123 Leavers Process**

**There is a risk** when leavers exit the organisation that not all their assets are returned to the appropriate departments, **caused by** employees not ensuring that their kit/equipment or other is returned as instructed on the leaver documentation, and their Manager not following the instructions on where to ensure the items are returned to, **which may result in** kit/equipment either being retained by an employee, loss of items or worst-case scenario items falling into the wrong hands.

This Static risk was raised by the People and Organisational Development Manager on 28/11/23. The 'Before Controls Risk Level' was determined as HIGH and the 'Present Risk Level' is currently HIGH. The Target Level is MEDIUM with a Target Risk End Date of 31/12/24.

There are 5 Live Actions on this risk. The Risk Lead is People and Organisational Development Manager.

- Risk 124 REDACTED CLOSED SESSION
- Risk 125 REDACTED CLOSED SESSION

### 4. NEW OPCC RISKS RECORDED ON FORCE RISK REGISTER SINCE LAST REPORT

There has been 1 new OPCC risks added to the Force Risk Register since the last JAC risk report.

- Risk 126 REDACTED CLOSED SESSION

### 5. NWP RISKS REMOVED FROM FORCE RISK REGISTER SINCE LAST REPORT

There have been 5 risks closed and removed from the Force Risk Register since the last report.

- Risk 094 REDACTED CLOSED SESSION
- Risk 099 REDACTED CLOSED SESSION
- Risk 106 REDACTED CLOSED SESSION

### **Risk 111 Lack of Force Medical Advisor Cover**

This risk was initially raised on 01/05/23 by Head of Medical Services and Wellbeing.

The 'Before Controls Risk Level' was determined as CRITICAL. The 'Present Risk Level' was lowered from HIGH to MEDIUM on 12/12/23. The 'Target Level' was MEDIUM.

This Dynamic risk related to the current Force Medical Advisor who provided Doctor cover for two days to the organisation, had retired due to ill-health. The risk was **caused by** an inability of the current provider Optima (previously known as Healthworks), to provide backfill provision of contracted medical cover for face-to-face appointments in the Occupational Health Department, **which may have resulted in** potential delays in staff with complex medical conditions returning to the workplace.

The risk was reviewed at People, Organisational Development Senior Management Team (SMT) and Finance and Resources SMT on 15/01/24 and authorised for removal from the Force Risk Register due to:

- All Actions completed.
- A contract for new medical advisor arranged.
- Risk Target Level of MEDIUM achieved.
- Risk has been Treated.

The risk was closed and removed from the Force Risk Register on 15/01/24.

### **Risk 116 Loss of Trust and Confidence in NWP**

This risk was initially raised on 23/01/23 by the Chief Constable.

The 'Before Controls Risk Level' was determined as HIGH. The 'Present Risk Level' was MEDIUM. The 'Target Level' was MEDIUM.

This STATIC risk related to losing the trust and confidence of North Wales communities in NWP response to violence against women and girls following the abuse of position of officers in high-profile national cases.

This may be **caused by** the tragic murder of REDACTED CLOSED SESSION, the conviction of REDACTED CLOSED SESSION a serving officer for numerous rape offences, and a continuing number of officers being held to account in Misconduct Hearings for sexual harassment, abuse of position for sexual purpose and police perpetrated domestic abuse.

Whilst this is positive that those committing this behaviour are held to account, the high-profile media attention **may have resulted in** alienating those most vulnerable from calling the police if required or reporting any concerns.

The risk was reviewed by Deputy Chief Constable on 17/11/23 and authorised for removal from the Force Risk Register due to:

- Risk has been Treated.
- All Actions completed.
- Target Risk Level achieved.
- Business as Usual.
- Authorised by DCC to close the risk.

**6. OPCC RISKS REMOVED FROM FORCE RISK REGISTER SINCE LAST REPORT.**

There has been no OPCC risks Closed and removed from the Force Risk Register since the last report.

**7. NWP RISK CHANGES ON FORCE RISK REGISTER SINCE LAST REPORT**

There has been 1 NWP risk that changed its Present Risk Levels since the last report.

**Risk 60 REDACTED CLOSED SESSION**

**8. OPCC RISK CHANGES ON FORCE RISK REGISTER SINCE LAST REPORT.**

There has been no Live OPCC risks that changed their Present Risk Level since the last report.

**9. FORCE RISK REGISTER ACTIONS**

• **Risk Actions RAG Ratings - NWP**

Actions Not on Track	Actions On Track but with Issues	Actions On Track	Completed Actions
11	8	55	65

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.

Risks highlighted with '*Actions Not On Track*' relate to Actions that are overdue and awaiting updates from Risk Leads.

• **Risk Actions RAG Ratings - OPCC**

Actions Not on Track	Actions On Track but with Issues	Actions On Track	Completed Actions
0	2	10	2

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.

Risks highlighted with '*Actions Not On Track*' relate to Actions that are overdue and awaiting updates from Risk Leads.

**10. FORCE COVID19 RISK REGISTER**

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

**11. DEVELOPMENTS REGARDING RISK MANAGEMENT**

**Peer review by South Wales Police**

As per JAC Action 8 (Open Session), the Force were advised on 18/02/24 that the Risk Manager from South Wales Police is due to return on 25/03/24 on a phased approach so is not going to be able to undertake the peer review until the end of the year at the earliest.

Peer Reviews across all Forces has been raised by NWP Risk and Business Continuity Lead at the NPCC National Risk Management Forum (NRMF) which is attended by all Force Risk Managers. There was consensus that this is a good idea and has been taken forward by NPCC Strategic Planning and Risk Manager. The following proposal was included in NPCC Strategic Planning and Risk Manager report to the National Police Chief's Council for their meeting on 20<sup>th</sup> March 2024.

*“As part of wider risk management discussions through the NRMF, the SPP team have also proposed to test support for a ‘peer assessment’ process. Forces have identified a gap in available peer assessment for risk management, and the potential benefit of a peer support network to undertake some review and baselining of policing’s approach. 5.3.2. Following a request from North Wales Police, a test process has been proposed and will be discussed at the NRMF in March. A term of reference will be drafted and shared for agreement with forces before work is undertaken. The NRMF is engaged with peer assessment colleagues and the College of Policing to explore proportionate and appropriate support that can be provided to colleagues for agreement with CCC”.*

This is extremely encouraging and if approved at NPCC on 20/03/24 we will have support from all Chief Constable’s and College of Policing. The NWP Risk and Business Continuity Lead requested that NWP be the first ‘pilot’ Force for a peer review but I am unfortunately unable to give timescales at this stage. The NWP Risk and Business Continuity Lead will be attending the next Risk Management Forum on 19<sup>th</sup> June 2024 where everyone present will receive an update on the NPCC’s decision.

## 12. SUMMARY OF NWP RISKS ON FORCE RISK REGISTER AS AT 05/03/2024

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
003	RMS Legacy Database	High	Medium	Low	Annual	10/08/16	01/07/24	1	1	1		
054	REDACTED CLOSED SESSION	High	Medium	Low	Dynamic	29/04/20	13/02/24	1	2	1		
060	REDACTED CLOSED SESSION	Critical	High	Medium	Static	19/05/20	23/07/24	3	3	3		
071	Pensions	High	Medium	Medium	Static	20/01/21	07/08/23	2	3	2		
074	REDACTED CLOSED SESSION	Critical	Medium	Medium	Dynamic	04/06/21	05/12/23	1	14	1		
081	Inability attracting Staff to apply for key roles in NWP	Critical	Medium	Medium	Dynamic	08/09/21	28/08/23	2	3	0		2
088	REDACTED CLOSED SESSION	High	High	Low	Dynamic	01/02/22	05/03/24	4	3	4		
091	Loss of money invested on the money market	Critical	Low	Low	Static	16/02/22	04/03/24	2	2	2		
093	Inadequate financial resources to deliver service plans for period 01/04/2024 to 31/3/2029	Critical	Medium	Medium	Static	15/03/22	01/03/24	2	2	2		
096	Excess Demand within the Analysts Unit	High	Medium	Medium	Static	12/04/22	27/02/24	2	13	2		
098	REDACTED CLOSED SESSION	Critical	Critical	Medium	Dynamic	19/05/22	06/12/23	2	5	2		
101	REDACTED CLOSED SESSION	Medium	Low	Negligible	Static	07/06/22	08/12/23	1	1	1		
105	REDACTED CLOSED SESSION	High	High	Medium	Static	03/01/23	17/10/23	4	1	4		
106	REDACTED CLOSED SESSION	Critical	Critical	Medium	Static	03/01/23	26/01/24	3	0	3		
108	REDACTED CLOSED SESSION	Critical	High	Negligible	Dynamic	20/12/22	22/01/24	3	4	0		3
110	REDACTED CLOSED SESSION	High	High	Medium	Static	09/05/23	04/12/23	2	0	2		
112	REDACTED CLOSED SESSION	Critical	High	Low	Dynamic	01/05/23	12/02/24	2	3	2		
115	REDACTED CLOSED SESSION	High	High	Negligible	Static	20/06/23	25/01/24	3	0	3		
116	Loss of Trust and Confidence in NWP	High	High	Medium	Static	23/01/23	17/11/23	2	1	2		
117	REDACTED CLOSED SESSION	High	High	Low	Dynamic	18/07/23	10/01/24	2	0	2		
118	REDACTED CLOSED SESSION	High	High	Low	Static	14/09/23	04/01/24	3	3	3		
119	Ability to maintain Uplift Police Officer Levels	High	Medium	Low	Dynamic	28/08/23	28/09/23	2	0	2		2
120	REDACTED CLOSED SESSION	Critical	High	Medium	Dynamic	10/10/23	21/02/24	2	0	2		
121	REDACTED CLOSED SESSION	Critical	Critical	Low	Dynamic	10/10/23	25/01/24	5	1	1	4	
122	REDACTED CLOSED SESSION	High	High	Medium	Dynamic	18/10/23	07/02/24	1	0	1		
123	Leavers Process	High	High	Medium	Static	28/11/23	17/01/24	5	0	5		
124	REDACTED CLOSED SESSION	High	High	Low	Dynamic	20/12/23	28/02/24	6	0	2	4	
125	REDACTED CLOSED SESSION	High	High	Low	Dynamic	09/01/24	27/03/24	4	0	0		4

### 13. SUMMARY OF OPCC RISKS ON FORCE RISK REGISTER AS AT 05/03/2024

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
095	Legally Qualified Chairs	High	High	Medium	Static	05/04/23	05/02/24	3	1	1	2	
109	Adequacy of financial resources 2023/2024	Critical	Medium	Medium	Static	26/04/23	11/01/24	2	1	2		
113	PCC Election 2024	High	Medium	Low	Static	10/05/23	28/01/24	7	0	7		
126	REDACTED CLOSED SESSION	High	High	Low	Dynamic	29/02/24	29/02/24	Awaited				

## Joint Audit Committee

**Meeting Date: 28 March 2024**

<b>Title;</b>	Proposed Work Programme
<b>Author:</b>	Chief Finance Officer
<b>Purpose of the report:</b>	To agree the work programme
<b>The report is provided to JAC for: (tick one)</b>	<input type="checkbox"/> X Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input type="checkbox"/> Information
<b>Summary / Key Points:</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Items which are mandatory are noted as such, and where these items would normally be considered by a statutory deadline, this deadline is also highlighted.</li> </ul>
<b>Recommendations:</b>	<ul style="list-style-type: none"> <li>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.</li> <li>For members of the Committee to consider additional content which might be presented at future meetings.</li> <li>For the future work programme to be brought to each meeting, outlining the work for the forthcoming twelve months on a rolling basis.</li> </ul>
<b>Risk register impact:</b>	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.
<b>Assurance implications:</b>	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.
<b>Equality Impact:</b>	Equalities legislation was taken into account when recruiting the independent members of the Joint Audit Committee. There is a <a href="#">Joint Equalities' Scheme</a> in place.
<b>Information exempt from disclosure:</b>	None.



## **JOINT AUDIT COMMITTEE**

**28 March 2024**

### **PROPOSED WORK PROGRAMME**

**Report by the Chief Finance Officer**

#### **1. INTRODUCTION**

- 1.1 The Joint Audit Committee is provided with a programme of work for at the forthcoming year. 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.
- 1.2 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.
- 1.3 Members are invited to suggest items to include on the work programme, and can do so by contacting the Chief Finance Officer.
- 1.4 This report, therefore, includes the proposed work plan for the next twelve months. Where a 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	Purpose
All (Until Further Notice)	<ul style="list-style-type: none"> <li>Business Update incl. VfM <i>JAC request</i></li> <li>HMICFRS Update (incorporated above unless significant) <i>core function</i></li> <li>Internal Audit Update <i>core function</i></li> <li>Risk Update <i>core function</i></li> <li>Organisational changes <i>core function</i></li> <li>ICT Digital Update – Command &amp; Control &amp; NEP <i>closed sessions wider function</i></li> <li>Work Programme</li> <li>JAC Action Plan Update <i>closed sessions</i></li> </ul>	<ul style="list-style-type: none"> <li>JAC request</li> <li>TOR (core)</li> <li>TOR (core)</li> <li>TOR (core)</li> <li>Force request</li> <li>To ensure all core and other mandatory functions are planned in line with statutory deadlines, and to ensure all wider functions and other items agreed are timetabled.</li> </ul>

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

Date of Meeting	Work Programme 2023/24	Purpose
Tba	<ul style="list-style-type: none"> <li>Information session – FMS – online session, one hour with Matt Stewart &amp; Simon Williams.</li> <li>Artificial Intelligence</li> <li>Comms plans</li> </ul>	<ul style="list-style-type: none"> <li>Linked to TOR (wider)</li> <li>Linked to TOR (wider)</li> <li>JAC request</li> </ul>
Spring 2024	<ul style="list-style-type: none"> <li>All Wales Training event</li> </ul>	<ul style="list-style-type: none"> <li>To enable JAC members to: <ul style="list-style-type: none"> <li>Understand the role of JAC and how they contribute to this;</li> <li>Meet JAC members from other areas of Wales</li> </ul> </li> </ul>
June 2024	<ul style="list-style-type: none"> <li>Accounts Technical Briefing</li> <li>Introduction to accounts</li> </ul>	<ul style="list-style-type: none"> <li>Linked to mandatory requirement for JAC to review the accounts before signature by the PCC/CC</li> </ul>

30 July 2024	<ul style="list-style-type: none"> <li>• Force Management Statement – briefing</li> <li>• Self-assessment and Annual report of JAC – final report</li> <li>• Risk Strategy &amp; Risk Appetite Statement – Annual review</li> <li>• Treasury Management Performance</li> <li>• Legal report</li> <li>• Risk Deep Dive: Risk 118 <i>closed session</i></li> </ul>	<ul style="list-style-type: none"> <li>• TOR (wider)</li> <li>• TOR (to ensure independence and accountability)</li> <li>• TOR (core)</li> <li>• TOR (core/wider<sup>1</sup> – interim reporting is mandatory)</li> <li>• TOR (core)</li> </ul>
26 September 2024	<ul style="list-style-type: none"> <li>• Governance update</li> <li>• Sustainability Update</li> <li>• HMICFRS Value for Money Profiles <i>core function</i></li> <li>• Risk 119 - Ability to Maintain Uplift Police Officer Levels</li> </ul>	<ul style="list-style-type: none"> <li>• TOR (core)</li> <li>• TOR (wider)</li> <li>• TOR (core)</li> <li>• Force request</li> </ul>
31 October 2024	<ul style="list-style-type: none"> <li>• ISA260 and signing of accounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory function.</li> <li>• Statutory date is 31 July, but this is under review.</li> </ul>
28 November 2024	<ul style="list-style-type: none"> <li>• Audit Wales – Value for Money and Annual Audit Report (Management Letter)</li> <li>• Governance Update</li> <li>• Treasury Management Performance</li> <li>• Legal report</li> <li>• Value for Money Update – force</li> <li>• HMICFRS Report – PEEL Review</li> <li>• Briefing: Collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• TOR (core)</li> <li>• TOR (core)</li> <li>• TOR (core/wider<sup>1</sup> – reporting is mandatory)</li> <li>• OPCC/Force request</li> <li>• TOR (core)</li> <li>• TOR (core)</li> <li>• TOR (core)</li> </ul>
March 2025	<ul style="list-style-type: none"> <li>• Capital Strategy (including Treasury Management Strategy)</li> <li>• Governance update – including draft AGS</li> <li>• Value for Money and Annual Audit Letter – Audit Wales</li> <li>• Sustainability Update</li> </ul>	<ul style="list-style-type: none"> <li>• TOR (core/wider<sup>1</sup> – mandatory to be approved by 1 April 2025)</li> <li>• TOR (core)</li> <li>• TOR (core)</li> <li>• TOR (wider)</li> </ul>

	<ul style="list-style-type: none"> <li>• Audit Wales – annual plan</li> <li>• Ethics Update</li> </ul>	<ul style="list-style-type: none"> <li>• TOR (core)</li> <li>• TOR (core)</li> </ul>
June 2025	<ul style="list-style-type: none"> <li>• Accounts Technical Briefing</li> <li>• Introduction to accounts</li> </ul>	<ul style="list-style-type: none"> <li>• Linked to mandatory requirement for JAC to review the accounts before signature by the PCC/CC</li> </ul>
July 2025	<ul style="list-style-type: none"> <li>• ISA260 and signing of accounts</li> <li>• Force Management Statement – briefing</li> <li>• Self-assessment and Annual report of JAC – final report</li> <li>• Risk Strategy &amp; Risk Appetite Statement – Annual review</li> <li>• Treasury Management Performance</li> <li>• Legal report</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory function. Deadline is 31 July 2025, but may be extended dates in 2025.</li> <li>• TOR (wider)</li> <li>• TOR (to ensure independence and accountability)</li> <li>• TOR (core)</li> <li>• TOR (core/wider<sup>1</sup> – interim reporting is mandatory)</li> <li>• TOR (core/wider<sup>1</sup>)</li> </ul>
September 2025	<ul style="list-style-type: none"> <li>• Governance update</li> <li>• Sustainability Update</li> <li>• HMICFRS Value for Money Profiles</li> </ul>	<ul style="list-style-type: none"> <li>• TOR (core)</li> <li>• TOR (core)</li> <li>• TOR (core)</li> </ul>
December 2025	<ul style="list-style-type: none"> <li>• Audit Wales – Value for Money and Annual Audit Report (Management Letter)</li> <li>• Governance Update</li> <li>• Treasury Management Performance</li> <li>• Legal report</li> <li>• Value for Money Update – force</li> <li>• HMICFRS Report – PEEL Review</li> </ul>	<ul style="list-style-type: none"> <li>• TOR (core)</li> <li>• TOR (core)</li> <li>• TOR (core/wider<sup>1</sup> – reporting is mandatory)</li> <li>• OPCC/Force request</li> <li>• TOR (core)</li> <li>• TOR (Core)</li> </ul>
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>	

	Meeting between Joint Audit Committee and Audit Wales Meeting between Joint Audit Committee and Internal Audit Sustainability and decarbonisation Review/oversee governance arrangements for partnerships & collaboration <i>core function</i>
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#### 4. IMPLICATIONS

4.1	Equality	Equalities legislation was taken into account when recruiting the independent members of the Joint Audit Committee. There is a <a href="#">Joint Equalities' Scheme</a> 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 <a href="#">Terms of Reference</a> , which has been prepared in accordance with <i>Audit Committees\Practical Guidance for local Authorities and police - 2022 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

# **Police and Crime Commissioner for North Wales and Chief Constable of North Wales Police**

## **Annual Audit Letter 2023**

This is our annual audit letter for the Police and Crime Commissioner for North Wales and Chief Constable of North Wales Police.

It summarises the key messages and conclusions arising from my statutory responsibilities under the Public Audit (Wales) Act 2004 and my reporting responsibilities under the Code of Audit Practice.

## **The Police and Crime Commissioner's and Chief Constable's responsibilities**

It is the Police and Crime Commissioner's (the Commissioner) and Chief Constable's responsibility to:

- put systems of internal control in place to ensure the regularity and lawfulness of transactions and to ensure that their assets are secure;
- maintain proper accounting records;
- prepare a Statement of Accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in their use of resources.

Police bodies in Wales prepare their financial statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This Code is based on International Financial Reporting Standards.

## **My audit responsibilities and conclusions**

Each year the Auditor General audits the Commissioner's and Chief Constable's financial statements to make sure that public money is being properly accounted for.

The Public Audit (Wales) Act 2004 requires me to:

- provide an audit opinion on the accounting statements;
- review the body's arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- issue a certificate confirming that I have completed the audit of the accounts.

## **The financial statements prepared by the Commissioner and Chief Constable present a true and fair view of their financial position and transactions**

The draft statements were presented for audit on 4 July 2023. This was before the deadline of 31 July 2023 set by Welsh Government.

The draft statements presented for audit were of good quality.

The Auditor General gave unqualified opinions on the financial statements on 11 December 2023. The audit was delivered later than in previous years mainly due to the impact of new auditing standard requirements. These were covered in our audit plan considered by the Joint Audit Committee on 27 July 2023.

There were a small number of changes made to the financial statements arising from our audit work, which were reported to the Joint Audit Committee in our Audit of Financial Statements Report at the meeting held on 7 December 2023.

The Annual Governance Statements and Narrative Reports accompanying the annual accounts were prepared in line with the CIPFA Code and relevant guidance. They were consistent with the financial statements and with our knowledge of North Wales Police.

## **I am satisfied that the Commissioner and Chief Constable have appropriate arrangements in place to secure economy, efficiency and effectiveness in their use of resources**

My consideration of the body's arrangements to secure economy, efficiency and effectiveness has been based on:

- the audit work undertaken on the statement of accounts;
- the results of the audit work undertaken on the Commissioner's and Chief Constable's systems of internal control, as reported in the Annual Governance Statement;
- the results of other work carried out by the Auditor General including our review of collaboration of emergency services in Wales and between the four Welsh forces;
- the results of the work of other external review bodies, e.g. His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), where relevant to my responsibilities; and
- any other work, including from Internal Audit, that I considered necessary to discharge my responsibilities.

For the purposes of my work, I evaluated the Commissioner's and Chief Constable's systems against a number of questions. This approach is set out in detail in **Appendix 1** to this letter. For each question, I consider whether there are gaps in the arrangements expected to be in place, and the significance of those gaps.

Based on the work I have undertaken, I am satisfied that the Commissioner and Chief Constable have appropriate arrangements in place to secure economy, efficiency, and effectiveness in their use of resources.

## **I issued a certificate confirming that the audit of the accounts of the Commissioner and Chief Constable have been completed on 11 December 2023**

I received no electors' questions or objections in relation to the 2022-23 audit.

Having given an audit opinion on the financial statements and concluded on the Commissioner's and Chief Constable's arrangements to secure economy, efficiency and effectiveness in its use of resources, I was able to certify that the audit was complete when I issued my audit opinion.

## **Financial audit fee**

The financial audit fee for 2022-23 is currently being reviewed and is expected to be in line with the agreed fee set out in the Detailed Audit Plan 2023.

Yours sincerely

Matthew Edwards  
Engagement Director  
For and on behalf of the Auditor General for Wales



## Appendix 1

### Criteria to assess arrangements for securing economy, efficiency and effectiveness in the use of resources

Exhibit 1: criteria for assessing arrangements

Corporate performance management and financial management arrangements	Questions on arrangements
Establishing objectives determining policy and decision making	Has the Commissioner/Chief Constable put in place arrangements for setting, reviewing and implementing their strategic and operational objectives?
Meeting the needs of users, stakeholders and the local population	Has the Commissioner/Chief Constable put in place channels of communication with the local population, users of the service, and other stakeholders including partners, and are there monitoring arrangements to ensure that key messages about services are taken into account?
Monitoring and reviewing performance	Has the Commissioner/Chief Constable put in place arrangements for monitoring and scrutiny of performance, to identify potential variances against strategic objectives, standards and targets, for taking action where necessary and reporting to the Commissioner/Chief Constable?
Compliance with established policies	Has the Commissioner/Chief Constable put in place arrangements to maintain a sound system of internal control, including those for ensuring compliance with laws and regulations, and internal policies and procedures?
Operational and financial risks	Has the Commissioner/Chief Constable put in place arrangements to manage their significant business risks?

Corporate performance management and financial management arrangements	Questions on arrangements
Managing financial and other resources	Has the Commissioner/Chief Constable put in place arrangements to evaluate and improve the value for money they achieve in their use of resources?
	Has the Commissioner/Chief Constable put in place arrangements to ensure that their spending matches their available resources?
	Has the Commissioner/Chief Constable put in place arrangements for managing and monitoring performance against budgets, taking corrective action where appropriate, and reporting the results to senior management and the Commissioner/Chief Constable?
Proper standards of conduct etc.	Has the Commissioner/Chief Constable put in place arrangements for monitoring and scrutinising performance, to identify potential variances against strategic objectives, standards and targets for taking action?
	Has the Commissioner/Chief Constable put in place arrangements that are designed to promote and ensure probity and propriety in the conduct of their business?

## Appendix 1

<b>Have auditors identified any indications that proper arrangements may not be in place from a review of the following sources during the course of their normal audit work?</b>	<b>Findings and conclusion</b>  <b>Based on findings below there are no indications that proper arrangements may not be in places this.</b>
<b>Audit of accounts</b>	Unqualified opinion issued on 11 December 2023.
<b>Internal Audit Reports - TIAA</b>	<p>During 2022-23 TIAA carried out 22 reviews (24 in 2021-22) which were designed to ascertain the extent to which internal controls in the system are adequate. 14 reviews (15 in 2021-22) were awarded a substantial assurance rating and 5 reviews (7 in 2021-22) were awarded a reasonable assurance rating. No reviews (0 in 2021-22) were awarded a limited assurance rating.</p> <p>The Head of Internal Audit opinion was:</p> <p>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.</p> <p>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.</p>

<p><b>Have auditors identified any indications that proper arrangements may not be in place from a review of the following sources during the course of their normal audit work?</b></p>	<p><b>Findings and conclusion</b></p> <p><b>Based on findings below there are no indications that proper arrangements may not be in places this.</b></p>
<p><b>His Majesty's Inspectorate of Constabulary and Fire &amp; Rescue Services (HMICFRS) Inspection reports</b></p>	<p>In February 2023 HMICFRS issued their 2021/22 PEEL Inspection Report. The inspection assessed how good North Wales Police is in nine areas of policing. The report sets out detailed findings about things the force is doing well and where the force should improve.</p>
<p><b>Review of key papers e.g. strategies, plans, meeting papers, etc</b></p>	<p>A review of the key papers is carried out as part of our audit process. We consider if the Financial Statements and the Annual Governance Statement are consistent with the information we have gathered from these sources.</p>
<p><b>Budget reporting</b></p>	<p>The Medium-Term Financial Strategy 2022-23 – 2026-27 outlines budget requirements and spending expectations. This strategy is (four-year forward view) refreshed annually to ensure forthcoming funding shortfalls are identified early and corrective action taken, thus ensuring resources match planned expenditure.</p>

The Auditor General is independent of government, and was appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the Senedd.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies, assesses compliance with the remaining requirements of the Local Government (Wales) Measure 2009 and may undertake special inspections under the Local Government and Elections (Wales) Act 2021.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Senedd Commission and National Health Service bodies in Wales.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions, as described above. Audit Wales is not a legal entity.

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.

This document is also available in Welsh.

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Kate Jackson  
Chief Finance Officer  
Office of the North Wales Police and  
Crime Commissioner  
North Wales Police Headquarters  
Glan y Don  
Colwyn Bay  
Conwy  
LL29 8AW

**Reference:** AGW307/mh

**Date issued:** 19 February 2024

Dear Kate

**North Wales Police and Crime Commissioner**  
**Audit of Accounts 2022/2023**  
**Notice of Certification of Completion of the Audit**

I am pleased to be able to advise you that the audit of your Authority's accounts for the year ended 31 March 2023 has been completed. I have not had to issue a report in the public interest under Section 22 of the Public Audit (Wales) Act 2004.

May I draw your attention to:

- Regulation 13 of the Accounts and Audit (Wales) Regulations 2014, which requires the Authority to display on its website and in at least one conspicuous place in its area a notice stating that the audit has been concluded and that the statement of accounts is available for inspection by local government electors; and
- Regulation 27 of the Accounts and Audit (Wales) Regulations 2014, which require audited bodies to publish the annual audit letter as soon as is reasonably possible after it is received and to keep copies available for purchase by any person on payment of a reasonable sum.

Yours sincerely



Adrian Crompton  
Auditor General for Wales

**Joint Audit Committee**

**Meeting Date: 28 March 2024**

<b>Title:</b>	<b>Draft Annual Capital Strategy and Treasury Management Report 2024-25</b>
<b>Author:</b>	<b>Chief Finance Officer</b>
<b>Purpose of the report:</b>	<b>To give a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of police services along with an overview of how associated risk is managed and the implications for future financial sustainability.</b>
<b>The report is provided to JAC for: (tick one)</b>	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> <b>Assurance</b> <input type="checkbox"/> Information
<b>Summary / Key Points:</b>	<ul style="list-style-type: none"> <li>• This report stems from CIPFA's Treasury Management (TM) in the Public Services Code of practice and there is a legal requirement to abide by the Code.</li> <li>• It gives details of the Capital Programme, Revenue Provision for Borrowing and the Treasury Management and Investment Strategy 2023/24 to 2028/29, which are attached in the appendices.</li> <li>• It deals with the investment of surplus cash and any borrowing requirements.</li> <li>• It highlights the authorised limits and indicators within which the TM function operates on a daily basis.</li> </ul>
<b>Recommendations:</b>	The report is submitted to the Joint Audit Committee for information and comment, and to give its assurance prior to submission to the Police and Crime Commissioner
<b>Risk register impact:</b>	No impact – the arrangements are designed to manage the risk from investing and borrowing.
<b>Assurance implications:</b>	The report sets out the rules and limits for investing and borrowing money per the TM Strategy for 2024-25. There are no significant changes from last year's TM Strategy.
<b>Equality Impact:</b>	No impact.
<b>Information exempt from disclosure:</b>	No exempt information.

## JOINT AUDIT COMMITTEE

28 March 2024

### Draft Capital Strategy Report Executive Summary 2023-24 to 2028-29

#### Report by the Chief Constable's and Police and Crime Commissioner's Chief Finance Officers



1. The enclosed draft report meets the requirements of CIPFA's Treasury Management in the Public Services Code of practice which the Police and Crime Commissioner is legally required to follow. The main document, the Capital Strategy, brings together the Capital Programme, Revenue Provision for Borrowing, Treasury Management and Investment Strategy and the Treasury Indicators; with the intention of simplifying what is a highly technical area. However, as the report is still highly technical, this covering report will briefly explain the overall purpose and highlight what the Police and Crime Commissioner is being asked to agree in adopting the Strategy. The Strategy and its constituent elements have to be agreed annually by the Police and Crime Commissioner. The purpose of presenting this report to the Joint Audit Committee is for discussion and comment prior to submission to the Police and Crime Commissioner.
2. There are no fundamental changes to the strategy this year.
3. The overall purpose of the Capital Strategy is for the Police and Crime Commissioner to:
  - Formally agree the Capital Programme (Appendix A)
  - Agree which method is adopted for the repayment of debt via the Minimum Revenue Provision Statement (MRP) (Appendix B)
  - Provide the strategy framework for Treasury Management which encompasses borrowing for capital expenditure and investing residual balances (Appendix C)
  - Agree the Treasury Indicators that set limits on the levels of borrowing, as well as limits on the types of counterparties for investments (Appendix C)
4. The Capital Programme has been agreed by the Chief Constable and the Police and Crime Commissioner as part of the planning cycle feeding into the Medium-Term Financial Plan (MTFP). A further exercise has since been undertaken to re-assess the phasing of individual capital projects which has resulted in a change in the timing of the projects but not a significant change to the overall costs (Table 1 and Appendix A).
5. A primary and critical requirement is that the Capital Programme is affordable within the resources available - this is achieved by a combination of external funding, own resources (in year budget or reserves) or debt. The programme is affordable and the split in financing is shown in Table 2.
6. Debt must be repaid; this is done through the revenue budget by means of the minimum revenue provision (MRP). There is statutory guidance in relation to how the debt is serviced. Historical debt (pre-2008) is repaid based on the rules that were in place at the time of 4% reducing balance. For capital expenditure incurred after 31.3.2008 the MRP is determined by charging the expenditure over the useful life of the asset. Table 3 summarises the cost, and further details are contained in Appendix B.



- 7.** The total debt relating to capital is called the Capital Financing Requirement (CFR). Movement in the CFR is summarised in Table 4. The total CFR increases from a projected £27.08m at 31.3.2024 to £35.82m at 31.3.2029.
- 8.** One source of internal funding is Capital Receipts, these are the proceeds from the sales of assets, and these can only be used to fund capital expenditure. The projected movement in Capital Receipts are shown in Table 5.
- 9.** The Treasury Management strategy relates to the management of cash balances in terms of borrowing and investments. Priority is given to security of funds, followed by liquidity and then yield. Section 3 of the Capital Strategy summarises the TM strategy with the details in Appendix C.
- 10.** In terms of borrowing a balance is struck between external and internal borrowing and long and short-term borrowing. This is slightly complicated by funding income not being received consistently throughout the year with one large payment being received each July for the Pensions Grant, and the Home Office Welsh Top-Up Grant of £23.3m being paid in one lump sum upfront in April 2024 (Appendix C, Graphs 1 and 2). Short-term loans have lower interest rates but this can change over time.
- 11.** Investments are tightly controlled minimising risk as far as possible by managing counterparties through credit and other ratings and limiting the amount and length of investments.
- 12.** As per the previous Strategy, the minimum liquidity level of £10m has been expanded for practical purposes to also allow a lower operational limit of £7.5 million for a maximum of 14 days to avoid unnecessary short-term borrowing (see Appendix C, paragraph 6.3).
- 13.** Table 10 shows the total financing costs as a percentage of net revenue budget, this is projected to increase from 1.7% to 1.8% from 2024-25 to 2028-29.
- 14.** Professionally qualified and specifically trained staff have responsibility for making decisions relating to capital expenditure, investments and borrowing. In addition to this, professional advisors are retained to provide advice and guidance in these technical areas.

# Capital Strategy Report 2024/25 (Draft)

## 1. Introduction

- 1.1. This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes technical areas.
- 1.2. Decisions made this year on capital and treasury management will have financial consequences for the Police and Crime Commissioner for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

## 2. Capital Expenditure and Financing

- 2.1. Capital expenditure is where the Police and Crime Commissioner spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.
- 2.2. The draft Capital Programme was presented to the Strategic Executive Board (SEB) on 8 February 2024 as part of the Medium-Term Financial Plan and agreed subject to the final ratification of this Capital Strategy. A further exercise has been undertaken to re-assess the phasing of individual capital projects which has resulted in a change in the timing of the projects but not a significant change in the overall costs. The Police and Crime Commissioner is planning capital expenditure as summarised below, with details as shown in **Appendix A**:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2022/23 actual £m	2023/24 forecast £m	2024/25 budget £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
<b>Total Capital Expenditure</b>	6.89	6.64	18.12	9.32	7.57	5.88	10.21

- 2.3. **Governance (capital expenditure):** The Police and Crime Commissioner's assets and infrastructure need continual investment in order to ensure an efficient and modern working environment. The Capital Programme as a whole needs to be affordable, provide value for money, be deliverable, and reflect the overall strategy of having an infrastructure that is fit for the future. The Capital Programme reflects the implementation of the Estates, IT and Fleet Strategies. There have been a number of issues such as supply chain delays, planning consent delays and increased costs due to higher inflation which have slowed progress. The profiling of each capital scheme is based on best estimates at a point in time, and these are constantly monitored and subject to review. However, in order to establish a base-level of funding a few critical work streams require to be included in the Capital Programme prior to the finalisation of a full business case. Some of these may ultimately require an element of re-profiling if they straddle two financial years e.g Body Worn Video (BWV) replacement.
- 2.4. All capital expenditure must be financed, either from external sources (government grants and other contributions), the Police and Crime Commissioner's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

	2022/23 actual £m	2023/24 forecast £m	2024/25 budget £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
External sources	0.00	0.62	0.00	0.00	0.00	0.00	0.00
Capital receipts	0.42	0.20	2.70	0.00	0.65	0.00	0.00
Revenue resources	4.01	4.32	7.95	4.63	2.97	2.66	5.06
Debt	2.46	1.49	7.47	4.69	3.95	3.22	5.15
<b>TOTAL</b>	<b>6.89</b>	<b>6.64</b>	<b>18.12</b>	<b>9.32</b>	<b>7.57</b>	<b>5.88</b>	<b>10.21</b>

- 2.5. Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP are as follows:

Table 3: Replacement of prior years' debt finance in £ millions

	2022/23 actual £m	2023/24 forecast £m	2024/25 budget £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
<b>Budgeted MRP (Own resources)</b>	2.42	2.45	2.23	2.99	3.36	3.62	3.56

- The Police and Crime Commissioner's full minimum revenue provision policy is shown on Appendix B to this report.

- 2.6. The Police and Crime Commissioner's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £5.24m during 2024/25. Based on the above figures for expenditure and financing, the Police and Crime Commissioner's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	2022/23 actual £m	2023/24 forecast £m	2024/25 budget £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
<b>Total CFR</b>	28.04	27.08	32.32	34.02	34.62	34.22	35.82

\* a detailed review of leased assets will be undertaken in 2024/25 due to the change in the accounting for leases (IFRS 16) – this may result in an increase in the total CFR but will not impact the Loans CFR. Any material change will be reported in year.

- 2.7. **Asset management:** To ensure that capital assets continue to be of long-term use, the Police and Crime Commissioner has relevant Estates, Fleet and IT management strategies in place.
- 2.8. **Asset disposals:** When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. Repayments of capital grants, loans and investments also generate capital receipts. The Police and Crime Commissioner plans to receive £0.32m of capital receipts in the coming financial year as follows:

Table 5: Capital receipts receivable in £ millions

	2022/23 actual £m	2023/24 forecast £m	2024/25 budget £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
<b>Opening balance</b>	<b>2.36</b>	<b>3.58</b>	<b>3.55</b>	<b>1.25</b>	<b>1.25</b>	<b>0.60</b>	<b>0.60</b>
Receipts	1.64	0.17	0.32	-	-	-	-
Budgeted use	(0.42)	(0.20)	(2.62)	0.00	(0.65)	0.00	0.00
<b>Balance</b>	<b>3.58</b>	<b>3.55</b>	<b>1.25</b>	<b>1.25</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>

### 3. Treasury Management

- 3.1. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Police and Crime Commissioner's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Police and Crime Commissioner is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 3.2. **Borrowing strategy:** The Police and Crime Commissioner's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Police and Crime Commissioner therefore seeks to strike a balance between cheaper short-term loans and long-term fixed rate loans where the future cost is known but higher.
- 3.3. The Police and Crime Commissioner does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board.
- 3.4. Projected levels of the Police and Crime Commissioner's total outstanding debt (which comprises borrowing, PFI liabilities, leases and transferred debt) are shown below, compared with the capital financing requirement (see above).

Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	2022/23 actual £m	2023/24 forecast £m	2024/25 budget £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
Debt (incl. PFI & leases)	15.65	14.12	12.50	10.79	8.97	7.04	5.38
Capital Financing Requirement	28.04	27.08	32.32	34.02	34.62	34.22	35.82

- 3.5. Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Police and Crime Commissioner expects to comply with this in the medium term.
- 3.6. **Liability benchmark:** To compare the Police and Crime Commissioner's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £10m at each year-end.

Table 7: Borrowing and the Liability Benchmark in £ millions

	31.3.2023 actual £m	31.3.2024 forecast £m	31.3.2025 budget £m	31.3.2026 budget £m	31.3.2027 budget £m	31.3.2028 budget £m	31.3.2029 budget £m
Forecast borrowing	8.38	7.88	7.38	6.88	6.38	5.88	5.38
Liability benchmark	(11.58)	(19.96)	(2.10)	5.08	9.35	11.45	17.45

The outstanding borrowing in the table above shows the current level of committed borrowing, and the liability benchmark is an indicator of the maximum we may need to borrow in order to keep cash and investment balances above £10m. The actual level of borrowing will depend on cashflow throughout the year and will be somewhere between the two levels outlined above.

- 3.7. **Affordable borrowing limit:** The Police and Crime Commissioner is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 8: Prudential Indicators: Authorised limit and operational boundary for external debt in £m

	2023/24 limit £m	2024/25 limit £m	2025/26 limit £m	2026/27 limit £m	2027/28 limit £m	2028/29 limit £m
Authorised limit – borrowing	27.10	28.19	31.11	33.02	34.06	36.82
Authorised limit – PFI and leases	6.24	5.13	3.91	2.60	1.17	0.00
Authorised limit – total external debt	<b>33.34</b>	<b>33.32</b>	<b>35.02</b>	<b>35.62</b>	<b>35.23</b>	<b>36.82</b>
Operational boundary – borrowing	25.10	26.19	29.11	31.02	32.06	34.82
Operational boundary – PFI and leases	6.24	5.13	3.91	2.60	1.17	0.00
Operational boundary – total external debt	<b>31.34</b>	<b>31.32</b>	<b>33.02</b>	<b>33.62</b>	<b>33.23</b>	<b>34.82</b>

- 3.8. **Treasury investment strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 3.9. The Police and Crime Commissioner’s policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Police and Crime Commissioner may request its money back at short notice.

Table 9: Treasury management investments in £millions

	31.3.2023 actual £m	31.3.2024 forecast £m	31.3.2025 budget £m	31.3.2026 budget £m	31.3.2027 budget £m	31.3.2028 budget £m	31.3.2029 budget £m
Near-term investments	30.1	33.61	21.00	11.79	10.00	10.00	10.00
Longer-term investments	0.00	0.00	7.49	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>30.1</b>	<b>33.61</b>	<b>28.49</b>	<b>11.79</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>

- 3.10. **Risk management:** The effective management and control of risk are prime objectives of the Police and Crime Commissioner's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.
- 3.11. **Governance (risk management):** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Head of Finance and staff, who must act in line with the treasury management strategy approved by the Police and Crime Commissioner and Joint Audit Committee (JAC). Quarterly exception reports on treasury management activity are presented to the Executive Boards (Strategic Management Board (SMB) and SEB). Half-yearly reports are provided to JAC who are responsible for scrutinising treasury management decisions.
- 3.12. **Investments for Service Purposes:** The Police and Crime Commissioner **does not** currently make investments to assist local public services (which might include making loans to or buying shares in local service providers and/or local small businesses to promote economic growth).
- 3.13. **Commercial Activities:** Despite central government financial support for local public services declining, the Police and Crime Commissioner **does not** invest in commercial property purely or mainly for financial gain.
- 3.14. **Other Liabilities:** In addition to debt detailed above, the Police and Crime Commissioner is committed to making future payments to cover its pension fund costs. Police Officers' pension scheme is an unfunded scheme which is underwritten by the Government, and the liabilities stood at £1,356.0m as at 31.3.23. The cost to the Police and Crime Commissioner is the employer contribution rate, which is currently 31% (and will be increasing to 35.3% from April 2024). The reported net surplus (calculated on an asset ceiling basis) on the Staff Pension fund stood at £1.0m as at 31.3.23, this is also managed through the contribution rate which is currently set at 18.7%.
- 3.15. **Governance (other liabilities):** Decisions on incurring new discretionary liabilities are taken by the Chief Officer Team in consultation with the Police and Crime Commissioner and his Chief Finance Officer. The risk of liabilities crystallising and requiring payment is monitored by Corporate Finance and reported to the SMB and SEB as necessary. Details of contingent liabilities as at 31 March will be included in the annual Statement of Accounts.

#### 4. Revenue Budget Implications

- 4.1. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 11: Prudential Indicator: Proportion of financing costs to net revenue stream

	2022/23 actual £m	2023/24 forecast £m	2024/25 budget £m	2025/26 budget £m	2026/27 budget £m	2027/28 budget £m	2028/29 budget £m
Financing costs (£m)	£3.25m	£3.20m	£3.31m	£3.78m	£4.06m	£4.32m	£3.90m
Financing costs as % of net revenue stream	1.8%	1.7%	1.7%	1.8%	1.9%	2.0%	1.8%
Level of debt (£m)	£15.65m	£14.12m	£12.50m	£10.79m	£8.97m	£7.04m	£5.34m
Level of debt as % of net revenue stream	8.6%	7.5%	6.4%	5.4%	4.4%	3.4%	3.4%
Level of CFR as % of net revenue stream	15.6%	14.3%	16.1%	16.6%	16.4%	15.9%	16.2%

- 4.2. **Sustainability:** Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Police and Crime Commissioner's Finance Officer and the Director of Finance and Resources is satisfied that the proposed capital programme is prudent, affordable and sustainable as there are revenue streams or reserves in place to fund the Programme as set out. It is likely that additional resources will need to be budgeted for future investments beyond the current Programme.

## **5. Knowledge and Skills**

- 5.1. The Police and Crime Commissioner employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. Training is provided to all staff involved in making capital expenditure, borrowing and investment decisions.
- 5.2. Where Police and Crime Commissioner staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Police and Crime Commissioner currently employs Arlingclose Limited as treasury management advisers, Wilkes Head and Eve as property consultants and BDO as tax consultants. This approach is more cost effective than employing such staff directly and ensures that the Police and Crime Commissioner has access to knowledge and skills commensurate with its risk appetite.

APPENDIX A

2022-23		2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	
Actuals	Description	Revised Estimate	Est	Est	Est	Est	Est	Total Project Costs 2023-24 to 2028-29
£000		£000	£000	£000	£000	£000	£000	£000
	<b>Estate Programme</b>							
2	Retentions, Consultancy and QS	23						23
125	Sustainability Improvements	100	277	180	180	180	180	1,097
	<b>Estates estimate 25-26 onwards</b>						2,000	2,000
65	Re locate/ co locate/ vacate	10						10
74	Holyhead PS	300	5,620	485				6,405
73	Caernarfon & North Gwynedd Estate Area	941						941
1,717	VCC / Vehicle Workshop	100						100
	Armed Alliance							0
	Dolgellau PS				1,200			1,200
	Abergele PS	25	366	422				813
90	Llanrwst PS	50						50
	Flintshire PS - North				700	2,300		3,000
	Flintshire PS - South			3,700	450			4,150
161	Force Control Room Upgrading							0
	Archive Store		1,500	1,000				2,500
	Rhosllanerchrugog PS	40	150					190
	Prestatyn Refurb Town Center facility		400					400
41	Firearms Base works				2,000			2,000
	Firearms Base Welfare Facilities		275					275
	CS - SARC ISO Accreditation	620						620
<b>2,348</b>	<b>Total Building Works</b>	<b>2,209</b>	<b>8,588</b>	<b>5,787</b>	<b>4,530</b>	<b>2,480</b>	<b>2,180</b>	<b>25,774</b>
	<b>Vehicles and Other Equipment</b>							
<b>1,528</b>	<b>Vehicle Purchase Replacement Programme</b>	<b>2,267</b>	<b>2,291</b>	<b>1,797</b>	<b>1,341</b>	<b>1,683</b>	<b>1,580</b>	<b>10,959</b>
	PSU Vehicles (replacemnt programme)		780					780
	Tranman development	60						60
	Intoxilators x 3	30						30
56	ANPR replacement	94				200		294
25	Collision Surveying Equipment	16						16
<b>1,609</b>	<b>Total Vehicles and Other Equipment</b>	<b>2,467</b>	<b>3,071</b>	<b>1,797</b>	<b>1,341</b>	<b>1,883</b>	<b>1,580</b>	<b>12,139</b>



2022-23		2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
Actuals	Description	Revised Estimate	Est	Est	Est	Est	Est	Project Costs
								2023-24 to 2028-29
£000		£000	£000	£000	£000	£000	£000	£000
	<b>Information Technology and Communication Equipment</b>							
822	Desk Top Replacement (Replacement Programme)	445	2,100	1,736	1,054	820	1,350	7,505
	Server Replacement	100	320			700		1,120
	DFU Server replacement	390						390
	Telephony	135	115					250
275	Nexus Upgrade	93						93
	Digital Interview Recorder	0	450					450
192	NEP Device Re-build							0
482	Mobile data devices				645			645
26	NEP Infrastructure/Sail Point/Internet Links							0
	Digital Workplace audio visual	86						86
	Digital Intelligence & Investigation	0						0
961	Command and Control Upgrade - Phase 2	710	1,000				2,900	4,610
	Life-X Deployment						1,100	1,100
71	Emergency Service Network							0
51	Airwave replacement units	0	1,375					1,375
53	Body Worn Video (replacement costs)		1,100				1,100	2,200
2,933	<b>Total Information Technology and Communication</b>	<b>1,959</b>	<b>6,460</b>	<b>1,736</b>	<b>1,699</b>	<b>1,520</b>	<b>6,450</b>	<b>19,824</b>
6,890	<b>Total Capital Expenditure</b>	<b>6,635</b>	<b>18,119</b>	<b>9,320</b>	<b>7,570</b>	<b>5,883</b>	<b>10,210</b>	<b>57,737</b>

## SUMMARY:

2022-23		2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Actuals	Description	Revised Estimate	Est	Est	Est	Est	Est
£000		£000	£000	£000	£000	£000	£000
2,348	Total Building Works	2,209	8,588	5,787	4,530	2,480	2,180
1,609	Total Vehicles and Other Equipment	2,467	3,071	1,797	1,341	1,883	1,580
2,933	Total Information Technology and Communication	1,959	6,460	1,736	1,699	1,520	6,450
6,890	<b>Total Capital Expenditure</b>	<b>6,635</b>	<b>18,119</b>	<b>9,320</b>	<b>7,570</b>	<b>5,883</b>	<b>10,210</b>
	Funding						
0	Home Office Grant	620	0	0	0	0	0
3,502	Revenue Contribution	3,358	4,507	3,447	2,786	2,480	2,710
510	Earmarked Reserves	966	3,440	1,180	180	180	2,350
417	Capital Receipts	200	2,700	0	650	0	0
1,790	Borrowing for Estates	1,366	4,063	3,505	3,700	2,300	2,000
671	Borrowing for replacement programme	125	3,409	1,188	254	923	3,150
6,890	<b>Total Funding</b>	<b>6,635</b>	<b>18,119</b>	<b>9,320</b>	<b>7,570</b>	<b>5,883</b>	<b>10,210</b>
	<b>FUNDING:</b>						
0	External sources	620	0	0	0	0	0
4,429	Own resources	4,524	10,647	4,627	3,616	2,660	5,060
2,461	Debt	1,491	7,472	4,693	3,954	3,223	5,150
6,890	<b>Total Funding</b>	<b>6,635</b>	<b>18,119</b>	<b>9,320</b>	<b>7,570</b>	<b>5,883</b>	<b>10,210</b>

### Annual Minimum Revenue Provision Statement 2024/25

Where the Police and Crime Commissioner finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The *Local Government Act 2003* requires the Police and Crime Commissioner to have regard to Welsh Government's *Guidance on Minimum Revenue Provision* (the WG Guidance) most recently issued in 2018.

The broad aim of the WG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The WG Guidance requires the Police and Crime Commissioner to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement only incorporates options recommended in the Guidance.

- For capital expenditure incurred before 1<sup>st</sup> April 2008 MRP will be determined as 4% of the capital financing requirement in respect of that expenditure. *(Option 2)*
- For capital expenditure incurred after 31<sup>st</sup> March 2008 MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years. *(Option 3)*
- For assets acquired by leases or the Private Finance Initiative MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- Where former operating leases have been brought onto the balance sheet on due to the adoption of the *IFRS 16 Leases* accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or incentives, then the annual MRP charges will be adjusted so that the total charge to revenue remains unaffected by the new standard.

Capital expenditure incurred during 2024/25 will not be subject to a MRP charge until 2025/26 or later.

Based on the Police and Crime Commissioner's latest estimate of its capital financing requirement (CFR) on 31<sup>st</sup> March 2024, the budget for MRP has been set as follows:

	31.03.2024 Estimated CFR £m	2024/25 Estimated MRP £
Capital expenditure before 01.04.2008	6.67	0.27
Capital expenditure after 31.03.2008	14.21	1.43
Leases and Private Finance Initiative	6.20	1.12
<b>Total General Fund</b>	<b>27.08</b>	<b>2.82</b>

## Treasury Management Strategy Statement 2024/25 (DRAFT)

### 1. Introduction

- 1.1. Treasury management is the management of the Police and Crime Commissioner's cash flows, borrowing and investments, and the associated risks. The Police and Crime Commissioner has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Police and Crime Commissioner's prudent financial management.
- 1.2. Treasury risk management at the Police and Crime Commissioner is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Police and Crime Commissioner to approve a treasury management strategy before the start of each financial year. In addition, the Welsh Government (WG) issued revised Guidance on Local Police and Crime Commissioner Investments in November 2019 that requires the Police and Crime Commissioner to approve an investment strategy before the start of each financial year. This report fulfils the Police and Crime Commissioner's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the WG Guidance.
- 1.3. **Revised strategy:** In accordance with the WG Guidance, the Police and Crime Commissioner will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large, unexpected change in interest rates, in the Police and Crime Commissioner's capital programme or in the level of its investment balance, or a material loss in the fair value of a non-financial investment identified as part of the year end accounts preparation and audit process.

### 2. External Context *(the below relates to data/commentary as at 04/01/24. Further weekly 'Review and Preview' emails have also been received from Arlingclose, as well as relevant daily updates).*

- 2.1. **Economic background:** The impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East, will be major influences on the Police and Crime Commissioner's treasury management strategy for 2024/25.

The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, before maintaining this level for the rest of 2023. In December 2023, members of the BoE's Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. The three dissenters wanted to increase rates by another 0.25%.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged period of weak Gross Domestic Product (GDP) growth with the potential for a mild contraction due to ongoing weak economic activity. The outlook for CPI inflation was deemed to be highly uncertain, with upside risks to CPI falling to the 2% target coming from potential energy price increases, strong domestic wage growth and persistence in price-setting.

Office for National Statistics (ONS) figures showed CPI inflation was 3.9% in November 2023, down from a 4.6% rate in the previous month and, in line with the recent trend, lower than expected. The core CPI inflation rate declined to 5.1% from the previous month's 5.7%, again lower than predictions. Looking ahead, using the interest rate path implied by financial markets the BoE expects CPI inflation to continue falling slowly, but taking until early 2025 to reach the 2% target before dropping below target during the second half 2025 and into 2026.

ONS figures showed the UK economy contracted by 0.1% between July and September 2023. The BoE forecasts GDP will likely stagnate through 2024. The BoE forecasts that higher interest rates will constrain GDP growth, which will remain weak over the entire forecast horizon.

The labour market appears to be loosening, but only very slowly. The unemployment rate rose slightly to 4.2% between June and August 2023, from 4.0% in the previous 3-month period, but the lack of consistency in the data between the two periods made comparisons difficult. Earnings growth has remained strong but has showed some signs of easing; regular pay (excluding bonuses) was up 7.3% over the period and total pay (including bonuses) up 7.2%. Adjusted for inflation, regular pay was 1.4% and total pay 1.3%. Looking forward, the MPR showed the

unemployment rate is expected to be around 4.25% in the second half of calendar 2023, but then rising steadily over the forecast horizon to around 5% in late 2025/early 2026.

Having increased its key interest rate to a target range of 5.25-5.50% in August 2023, the US Federal Reserve appears now to have concluded the hiking cycle. It is likely this level represents the peak in US rates following a more dovish meeting outcome in December 2023. US GDP grew at an annualised rate of 4.9% between July and September 2023, ahead of expectations for a 4.3% expansion and the 2.1% reading for Q2. But the impact from higher rates has started to feed into economic activity and growth will weaken in 2024. Annual CPI inflation was 3.1% in November.

Eurozone inflation has declined steadily since the start of 2023, falling to an annual rate of 2.4% in November 2023. Economic growth has been weak and GDP contracted by 0.1% in the three months to September 2023. In line with other central banks, the European Central Bank has increased rates, taking its deposit facility, fixed rate tender, and marginal lending rates to 3.75%, 4.25% and 4.50% respectively.

**Credit outlook:** Credit Default Swap (CDS) prices were volatile during 2023, spiking in March on the back of banking sector contagion concerns following the major events of Silicon Valley Bank becoming insolvent and the takeover of Credit Suisse by UBS. After then falling back in Q2 of calendar 2023, in the second half of the year, higher interest rates and inflation, the ongoing war in Ukraine, and now the Middle East, have led to CDS prices increasing steadily.

On an annual basis, CDS price volatility has so far been lower in 2023 compared to 2022, but this year has seen more of a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.

Moody's revised its outlook on the UK sovereign to stable from negative to reflect its view of restored political predictability following the volatility after the 2022 mini-budget. Moody's also affirmed the Aa3 rating in recognition of the UK's economic resilience and strong institutional framework.

Following its rating action on the UK sovereign, Moody's revised the outlook on five UK banks to stable from negative and then followed this by the same action on five rated local authorities. However, within the same update the long-term ratings of those five local authorities were downgraded.

There remain competing tensions in the banking sector, on one side from higher interest rates boosting net income and profitability against another of a weakening economic outlook and likely recessions that increase the possibility of a deterioration in the quality of banks' assets.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

**Interest rate forecast (December 2023):** Although UK inflation and wage growth remain elevated, the Police and Crime Commissioner's treasury management adviser Arlingclose forecasts that Bank Rate has peaked at 5.25%. The Bank of England's Monetary Policy Committee will start reducing rates in 2024 to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. Arlingclose sees rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.

Arlingclose expects long-term gilt yields to be broadly stable at current levels (amid continued volatility), following the decline in yields towards the end of 2023, which reflects the expected lower medium-term path for Bank Rate. Yields will remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.

A more detailed economic and interest rate forecast provided by Arlingclose is in Appendix A.

### **3. Local Context**

- 3.1. On 31<sup>st</sup> March 2024, the Police and Crime Commissioner is expected to hold £7.88m of borrowing and £37.83m of treasury investments. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.23 Actual £m	31.3.24 Estimate £m	31.3.25 Forecast £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m	31.3.29 Forecast £m
Capital financing requirement	28.04	27.08	32.32	34.02	34.62	34.22	35.82
Less: Other debt liabilities *	(7.28)	(6.24)	(5.13)	(3.91)	(2.60)	(1.17)	(0.00)
<b>Loans CFR</b>	<b>20.76</b>	<b>20.83</b>	<b>27.19</b>	<b>30.11</b>	<b>32.02</b>	<b>33.06</b>	<b>35.82</b>
Less: External borrowing **	(8.38)	(7.88)	(7.38)	(6.88)	(6.38)	(5.88)	(5.38)
<b>Internal (over) borrowing</b>	<b>12.39</b>	<b>12.96</b>	<b>19.81</b>	<b>23.24</b>	<b>25.65</b>	<b>27.18</b>	<b>30.44</b>
Less: Balance sheet resources	(42.34)	(50.79)	(39.29)	(35.03)	(32.67)	(31.61)	(28.37)
<b>(Treasury investments) or New borrowing</b>	<b>(29.95)</b>	<b>(37.83)</b>	<b>(19.47)</b>	<b>(11.79)</b>	<b>(7.02)</b>	<b>(4.43)</b>	<b>2.07</b>

\* leases and PFI liabilities that form part of the Police and Crime Commissioner's total debt

\*\* shows only loans to which the Police and Crime Commissioner is committed and excludes optional refinancing

- 3.2. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying sums available for investment. The Police and Crime Commissioner's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 3.3. The Police and Crime Commissioner has an increasing CFR due to the capital programme, but decreasing investments may lead to a need to borrow up to £7.45m (which includes £5.38m of existing borrowing) over the forecast period in order to maintain a positive level of liquidity/breakeven (see also 3.5 below). However, if the capital programme is delayed this will also impact on the timing of our need to borrow.
- 3.4. CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Police and Crime Commissioner's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Police and Crime Commissioner expects to comply with this recommendation during 2024/25
- 3.5. **Liability benchmark:** To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk.
- 3.6. The liability benchmark is an important tool to help establish whether the Police and Crime Commissioner is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Police and Crime Commissioner must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

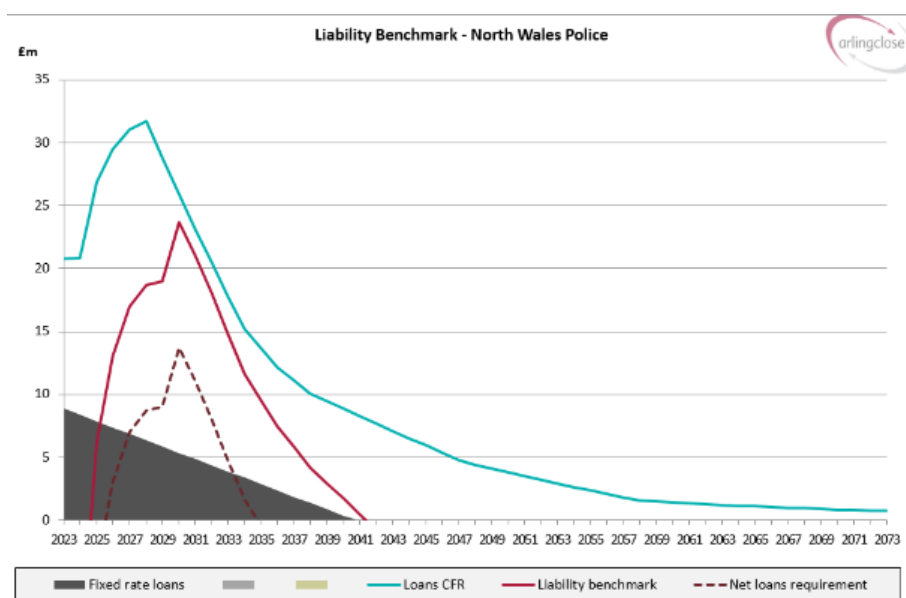
Table 2: Prudential Indicator: Liability benchmark

	31.3.23 Actual £m	31.3.24 Estimate £m	31.3.25 Forecast £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m	31.3.29 Forecast £m
Loans CFR	20.76	20.83	27.19	30.11	32.02	33.06	35.82
Less: Balance sheet resources	(42.34)	(50.79)	(39.29)	(35.03)	(32.67)	(31.61)	(28.37)
<b>Net loans requirement</b>	<b>(21.58)</b>	<b>(29.96)</b>	<b>(12.10)</b>	<b>(4.92)</b>	<b>(0.65)</b>	<b>1.45</b>	<b>7.45</b>
Plus: Liquidity allowance	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>Liability benchmark</b>	<b>(11.58)</b>	<b>(19.96)</b>	<b>(2.10)</b>	<b>5.08</b>	<b>9.35</b>	<b>11.45</b>	<b>17.45</b>

- 3.7. Following on from the medium-term forecasts in table 2 above, the Police and Crime Commissioner plans to remain borrowed in line with its cash-flow forecast in order to minimise risk. The cash-flow forecast reflects the peaks and

troughs over the financial year whereas the liability benchmark reflects a specific point in time – both need to be considered when deciding to borrow:

Graph 1: Liability Benchmark



#### 4. **Borrowing Strategy**

- 4.1. The Police and Crime Commissioner currently holds £7.88 million of loans, a decrease of £0.50 million on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Police and Crime Commissioner does not expect to need to borrow in 2024/25. The Police and Crime Commissioner may however borrow to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £33.32 million.
- 4.2. **Objectives:** The Police and Crime Commissioner's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Police and Crime Commissioner's long-term plans change is a secondary objective.
- 4.3. **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Police and Crime Commissioner's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently at a 15-year high but are expected to fall in the coming years and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead.
- 4.4. By doing so, the Police and Crime Commissioner is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal and short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Police and Crime Commissioner with this 'cost of carry' and breakeven analysis. Its output may determine whether the Police and Crime Commissioner borrows additional sums at long-term fixed rates in 2024/25 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
- 4.5. The Police and Crime Commissioner has previously raised all of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; however the Police and Crime Commissioner intends to avoid this activity and so will retain its access to PWLB loans.
- 4.6. Alternatively, the Police and Crime Commissioner may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

4.7. In addition, the Police and Crime Commissioner may borrow short-term loans to cover unplanned cash flow shortages.

4.8. **Sources of borrowing:** The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- UK Infrastructure Bank Ltd
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except the Gwynedd Pension Fund)
- capital market bond investors
- retail investors via a regulated peer-to-peer platform
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local Police and Crime Commissioner bond issues

4.9. **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

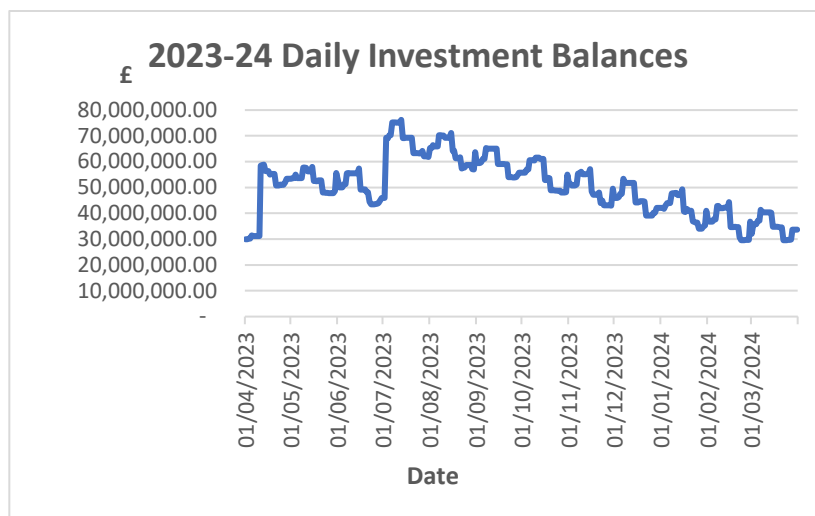
- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

4.10. **Short-term and variable rate loans:** These loans leave the Police and Crime Commissioner exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk (see section below).

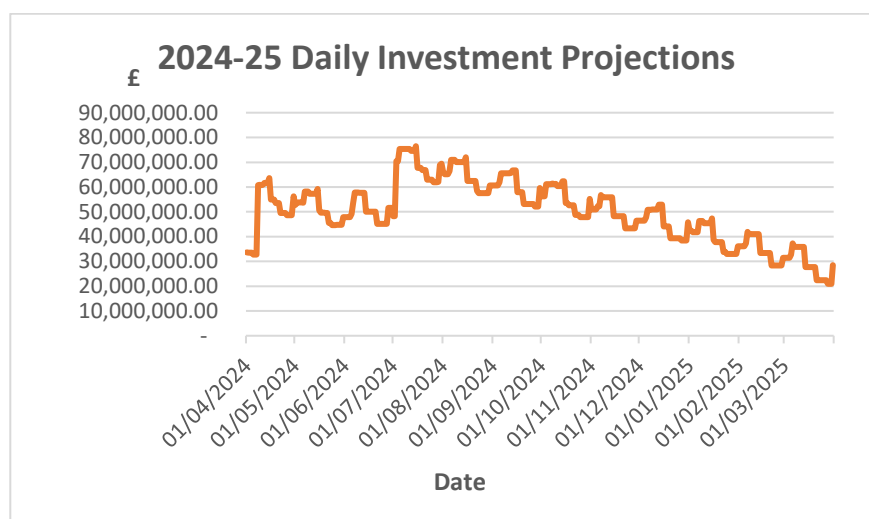
## 5. Treasury Investment Strategy

5.1. The Police and Crime Commissioner holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Police and Crime Commissioner's treasury investment balance has ranged between £29.5 million and £76.2 million (Graph 2). Projections for the forthcoming year show a similar trend with the Home Office Welsh Top-Up Grant of £23.3m being paid in one lump sum upfront in April 2024 again this year (as opposed to monthly instalments) (Graph 3).

Graph 2: Daily investment balance (2023-24)



Graph 3: Daily investment projections (2024-25)



- 5.2. **Objectives:** Both the CIPFA Code and the WG Guidance require the Police and Crime Commissioner to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Police and Crime Commissioner's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Police and Crime Commissioner will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Police and Crime Commissioner aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.
- 5.3. **Strategy:** As demonstrated by the liability benchmark above, the Police and Crime Commissioner expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments.
- 5.4. **ESG policy:** Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Police and Crime Commissioner's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Police and Crime Commissioner will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code. The Police and Crime Commissioner has recently opened and invested in an ESG Liquidity Fund with our bankers, HSBC.
- 5.5. **Business models:** Under the IFRS 9 standard, the accounting for certain investments depends on the Police and Crime Commissioner's "business model" for managing them. The Police and Crime Commissioner aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
- 5.6. **Approved counterparties:** The Police and Crime Commissioner may invest its surplus funds with any of the counterparty types in table 3 below, subject to the limits shown.



Table 3: Treasury investment counterparties and limits

Sector	Counterparty limit (Proposed)	Sector limit
The UK Government	Unlimited	n/a
Local authorities & other government entities	£7.5m	Unlimited
HSBC <sup>1*</sup>	£10m	n/a
Secured investments *	£7.5m	Unlimited
Banks (unsecured) *	£5m	Unlimited
Building societies (unsecured) *	£4m	Unlimited
Registered providers (unsecured) *	£5m	£5m
Money market funds *	£5m	Unlimited
Strategic pooled funds*	£5m	£5m

1 These are the Commissioner's bankers and are currently rated AA- by Fitch credit rating agency. This table must be read in conjunction with the notes below.

- 5.7. **Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be considered. For entities without published credit ratings, investments may be made where external advice indicates the entity to be of similar credit quality.
- 5.8. **Government:** Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.
- 5.9. **Secured investments:** Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.
- 5.10. **Banks and building societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
- 5.11. **Registered providers (unsecured):** Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.
- 5.12. **Money market funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Police and Crime Commissioner will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

- 5.13. **Strategic pooled funds:** Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Police and Crime Commissioner to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Police and Crime Commissioner's investment objectives will be monitored regularly.
- 5.14. **Operational bank accounts:** The Police and Crime Commissioner may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £10 million per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Police and Crime Commissioner maintaining operational continuity.
- 5.15. **Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Police and Crime Commissioner's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
  - any existing investments that can be recalled or sold at no cost will be, and
  - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 5.16. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 5.17. **Reputational aspects:** The Police and Crime Commissioner is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.
- 5.18. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Police and Crime Commissioner will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Police and Crime Commissioner's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.
- 5.19. **Investment limits:** The Police and Crime Commissioner's revenue reserves available to cover investment losses are forecast to be £51 million on 31<sup>st</sup> March 2024 and £39 million on 31<sup>st</sup> March 2025. In order that these reserves are not put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be as shown in table 3 above. A group of entities under the same ownership will be treated as a single organisation for limit purposes.
- 5.20. **Liquidity management:** The Police and Crime Commissioner uses purpose-built cash flow forecasting methods to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Police and Crime Commissioner being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Police and Crime Commissioner's medium-term financial plan and cash flow forecast. The Police and Crime Commissioner will spread its liquid cash over approved providers (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

## 6. Treasury Management Prudential Indicators

- 6.1. The Police and Crime Commissioner measures and manages its exposures to treasury management risks using the following indicators.

- 6.2. **Security:** The Police and Crime Commissioner has adopted a voluntary measure of its exposure to credit risk by setting a minimum credit rating of A- for its investments.

Credit risk indicator	Target
Minimum credit rating for investments	A-

- 6.3. **Liquidity:** The Police and Crime Commissioner has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling twelve-month period, without additional borrowing. For practical purposes a lower operational limit of £7.5 million for a maximum of 14 days will be set to avoid unnecessary short-term borrowing.

Liquidity risk indicator	Limit
Minimum cash available within 12 months	£10m
Lower limit for a maximum of 14 days	£7.5m

- 6.4. **Interest rate exposures:** This indicator is set to control the Police and Crime Commissioner's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£50,000
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£50,000

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates. However normal practice is to borrow and/or invest at fixed rates which removes any interest rate exposure risk.

- 6.5. **Maturity structure of borrowing:** This indicator is set to control the Police and Crime Commissioner's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

- 6.6. **Long-term treasury management investments:** The purpose of this indicator is to control the Police and Crime Commissioner's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

Price risk indicator	2024/25	2025/26	2026/27
Limit on principal invested beyond year end	£5m	£3m	£1m

## 7. Related Matters

- 7.1. The CIPFA Code requires the Police and Crime Commissioner to include the following in its treasury management strategy.
- 7.2. **Financial derivatives:** In the absence of any explicit legal power to do so, the Police and Crime Commissioner will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.
- 7.3. **Markets in Financial Instruments Directive:** The Police and Crime Commissioner has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Police and Crime Commissioner's treasury management activities, the Chief Finance Officer believes this to be the most appropriate status.
- 7.4. **Government Guidance:** Further matters required by the WG Guidance are included in Appendix C.

## 8. Financial Implications

- 8.1. The budget for investment income in 2024/25 is £1.72 million (£0.63 million permanent budget, and £1.09 million temporary budget increase due to higher projected interest rates). The budget for debt interest paid in 2024/25 is £0.09 million, based on committed fixed rate long term loans and an estimate to cover potential short-term borrowing. If actual levels of investments and borrowing, or actual interest rates, differ from those forecasted, performance against budget will be correspondingly different.

## 9. Other Options Considered

- 9.1. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Finance Officer, having consulted the Joint Audit Committee, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

**Arlingclose Economic & Interest Rate Forecast – December 2023****Underlying assumptions:**

- UK inflation and wage growth remain elevated but have eased over the past two months fuelling rate cuts expectations. Near-term rate cuts remain unlikely, although downside risks will increase as the UK economy likely slides into recession.
- The MPC's message remains unchanged as the Committee seeks to maintain tighter financial conditions. Monetary policy will remain tight as inflation is expected to moderate to target slowly, although some wage and inflation measures are below the Bank's last forecasts.
- Despite some deterioration in activity data, the UK economy remains resilient in the face of tighter monetary policy. Recent data has been soft but mixed; the more timely PMI figures suggest that the services sector is recovering from a weak Q3. Tighter policy will however bear down on domestic and external activity as interest rates bite.
- Employment demand is easing. Anecdotal evidence suggests slowing recruitment and pay growth, and we expect unemployment to rise further. As unemployment rises and interest rates remain high, consumer sentiment will deteriorate. Household and business spending will therefore be weak.
- Inflation will fall over the next 12 months. The path to the target will not be smooth, with higher energy prices and base effects interrupting the downtrend at times. The MPC's attention will remain on underlying inflation measures and wage data. We believe policy rates will remain at the peak for another 10 months, or until the MPC is comfortable the risk of further 'second-round' effects has diminished.
- Maintaining monetary policy in restrictive territory for so long, when the economy is already struggling, will require significant loosening in the future to boost activity.
- Global bond yields will remain volatile. Markets are currently running with expectations of near-term US rate cuts, fuelled somewhat unexpectedly by US policymakers themselves. Term premia and bond yields have experienced a marked decline. It would not be a surprise to see a reversal if data points do not support the narrative, but the current 10-year yield appears broadly reflective of a lower medium-term level for Bank Rate.
- There is a heightened risk of fiscal policy and/or geo-political events causing substantial volatility in yields.

**Forecast:**

- The MPC held Bank Rate at 5.25% in December. We believe this is the peak for Bank Rate.
- The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. We see rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.
- The immediate risks around Bank Rate have become more balanced, due to the weakening UK economy and dampening effects on inflation. This shifts to the downside in the short term as the economy weakens.
- Long-term gilt yields are now substantially lower. Arlingclose expects yields to be flat from here over the short-term reflecting medium term Bank Rate forecasts. Periodic volatility is likely.

	Current	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.25	5.25	5.25	5.25	5.00	4.75	4.25	4.00	3.75	3.50	3.25	3.00	3.00
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
3-month money market rate													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.40	5.40	5.40	5.30	5.15	4.80	4.30	4.10	3.80	3.50	3.25	3.05	3.05
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
5yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.77	3.75	3.75	3.75	3.70	3.60	3.50	3.50	3.40	3.30	3.30	3.30	3.35
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
10yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.72	3.75	3.80	3.80	3.80	3.80	3.80	3.80	3.75	3.65	3.60	3.65	3.70
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
20yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.16	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.25
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
50yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.76	3.80	3.85	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.95	3.95	3.95
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

UK Infrastructure Bank Rate = Gilt yield + 0.40%

### Additional requirements of Welsh Government Investment Guidance

The Welsh Government (WG) published revised Investment Guidance in November 2019 which places additional reporting requirements upon local authorities that are not integral to this Police and Crime Commissioner's treasury management processes. The guidance also covers investments that are not part of treasury management, for example investment property and loans to local organisations.

**Contribution:** The Police and Crime Commissioner's investments contribute to its service delivery objectives and supports effective treasury management activities.

**Climate change:** The Police and Crime Commissioner's investment decisions consider long-term climate risks to support a low carbon economy.

**Specified investments:** The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement unless the counterparty is a local Police and Crime Commissioner,
- not defined as capital expenditure by legislation, and
- invested with one of:
  - the UK Government,
  - a UK local Police and Crime Commissioner, parish council or community council, or
  - a body or investment scheme of "high credit quality".

The Police and Crime Commissioner defines "high credit quality" organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

**Loans:** The WG Guidance defines a loan as a written or oral agreement where the Police and Crime Commissioner temporarily transfers cash to a third party, joint venture, subsidiary or associate who agrees a return according to the terms and conditions of receiving the loan, except where the third party is another local Police and Crime Commissioner.

The Police and Crime Commissioner uses an allowed 'expected credit loss' model for loans and receivables as set out in *International Financial Reporting Standard 9 Financial Instruments* as adopted by proper practices to measure the credit risk of its loan portfolio. Appropriate consideration is given to state aid rules and competition law. The Police and Crime Commissioner has appropriate credit control arrangements to recover overdue repayments in place.

**Non-specified investments:** Any financial investment not meeting the definition of a specified investment or a loan is classed as non-specified. Given the wide definition of a loan, this category only applies to units in pooled funds and shares in companies. The Police and Crime Commissioner confirms that it doesn't currently have any non-specified investments.

**Non-financial investments:** This category covers non-financial assets held primarily or partially to generate a profit, primarily investment property. Security is determined by comparing each asset's purchase price to its fair value using the model in International Accounting Standard 40: Investment Property as adapted by proper practices. The Police and Crime Commissioner does not hold any non-financial investments.

**Investment advisers:** The Police and Crime Commissioner has appointed Arlingclose Limited as treasury management advisers. The quality of these services is managed by regular strategy meetings, review of data provided and professional judgement.

**Borrowing in advance of need:** Welsh Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.

**Capacity and skills:** The Police and Crime Commissioner employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. Training is provided to all staff involved in making capital expenditure, borrowing and investment decisions.

**Corporate governance:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Head of Finance and staff, who must act in line with the treasury management strategy approved by the Police and Crime Commissioner and Joint Audit Committee (JAC). Reports on treasury management activity are presented to The Strategic Executive Board (SEB) and JAC. The JAC is responsible for scrutinising treasury management decisions.



## Joint Audit Committee

**Meeting Date: 28 March 2024**

<b>Title:</b>	Joint Governance Board
<b>Author:</b>	Seb Phillips, Director of Finance & Resources, NWP
<b>Purpose of the report:</b>	Update
<b>The report is provided to JAC for: (tick one)</b>	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> X Information
<b>Summary / Key Points:</b>	<ul style="list-style-type: none"> <li>• The chair of JAC attended the meeting on 29<sup>th</sup> February 2024.</li> <li>• The board:             <ul style="list-style-type: none"> <li>○ Launched the review of the Manual of Governance.</li> <li>○ Received a first draft of the AGS.</li> <li>○ Received an update on the ongoing Governance review.</li> <li>○ Received the annual review of the CIPFA Financial Management code.</li> <li>○ Received an update on the Internal Audit sourcing work.</li> </ul> </li> </ul>
<b>Recommendations:</b>	<ul style="list-style-type: none"> <li>• For members of the Joint Audit Committee to note the work of the Joint Governance Board.</li> <li>• 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.</li> </ul>
<b>Risk register impact:</b>	The way risk is managed is integral to good governance and is considered within the Governance Framework
<b>Assurance implications:</b>	<p>The Joint Governance Board is to oversee changes to assurance arrangements following the Governance Review undertaken in 2023/24. These arrangements will change as a result of the forthcoming review.</p> <p>The Joint Governance Board is to oversee any future changes to the Manual of Governance.</p>
<b>Equality Impact:</b>	None
<b>Information exempt from disclosure:</b>	None



## JOINT AUDIT COMMITTEE

28 March 2024

Joint Governance Board

Report by the Director of Finance & Resources



### 1. Background

- 1.1. The Joint Governance Board meets four times each year. A work programme has been prepared to ensure it meets its objectives to record governance arrangements, and to oversee and advise on changes to those arrangements.
- 1.2. Members of the Joint Audit Committee have a standing invitation to attend the meeting; the chair of the committee attended on 29 February 2024 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. Meetings are held online via Microsoft Teams and future meeting dates are:
  - Tuesday 18th June 2024
  - Wednesday 4th September 2024
  - Tuesday 29th October 2024

### 3. Work of the Joint Governance Board

- 3.1. At the meeting held on 29<sup>th</sup> February, the following were discussed:

#### 3.1.1. Instigate a review of the Manual of Governance

The Chief Financial Officer (CFO) advised that the Manual of Governance which include the four documents below should be looked at annually.

Set against the context of an election scheduled for this year the CFO requested that the board read through the elements and advise if any element needs reviewing:

- Chapter 1 - Code of Corporate Governance 2021 ([northwales-pcc.gov.uk](http://northwales-pcc.gov.uk))
- Chapter 2 - Scheme of consent 2022.pdf ([northwales-pcc.gov.uk](http://northwales-pcc.gov.uk))

- Chapter 3 - Financial Regs 2022revision\_0.pdf (northwales-pcc.gov.uk)
- Standing orders for Contracts 2022.pdf (northwales-pcc.gov.uk)

### **3.1.2 Review of First Draft of AGS**

A first draft Annual Governance Statement was shared with a request to advise on any elements that needed updating.

The plans for the Annual Governance review were discussed with a 'light touch' approach to be conducted given it was felt that it was too soon to carry out another wholesale review. The light touch would be in July or August of this year and reported to the JGB at the November24 meeting under the forward work plan.

### **3.1.3 Review of Internal & External Audit Recommendations and JAC Recommendations**

The Budget Officer reported on Internal and External Audit recommendations and provided updates.

Since the last JGB meeting a few audits have come through, all of which were substantial except for the Eastern Area Command Unit.

It was noted that the fixed assets draft report has been received and finalised by TIAA which has come out as Reasonable, it previously had a Limited assurance, a significant improvement. Another improvement is in the area of Property subject to charge, which has been given Reasonable assurance, again an uplift from Limited. Property will remain as an annual audit.

HR Absence Management has been deferred until 24/25 with the departure of the Head of HR having an impact on progressing the recommendations. A temporary HR Strategic Adviser has been employed who will be looking at the recommendations by the revised date of 30th of April.

It was advised that the follow up audit for Health & Safety had been slightly delayed due to sickness and an update will be provided at next JGB meeting.

The Head of Finance provided a brief update on the outstanding JAC recommendations to the board.

### **3.1.4 Governance Review Update**

An Assurance update report was circulated with the agenda.

The Force Governance Manager confirmed that they were part of the National Policy Working group, working with other policy leads looking at best practice and lessons learnt from other forces and an opportunity to do some horizon scanning for possible national changes that might affect our policies.

In addition, there had been an approach by Dyfed Powys Police who were looking to set up an All Wales Police Group to share information and some best practices in terms of risk. A previous request for South Wales Police risk manager to carry out a peer review of our risk process had been delayed due to absence. There was now a proposal from the national NPCC risk forum that risk managers undertake a pilot peer review of North Wales Police. This was still to be agreed by NPCC members.

Regarding the Governance review it was advised that a few Terms of References were outstanding, mainly due to staff absences, but where this was the case, they were in hand. There were a few amendments to the force governance structure which had been embedded into the documentation for information.

### **3.1.5 Financial Management Code – Self Assessment**

The annual self-assessment was circulated for the FM code. The FM code was introduced to ensure appropriate standards are being adhered to. A brief overview was provided by the Head of Finance focussed on the additions and amendments to the report.

As part of the discussions, it was suggested that evidence may benefit from identifying where or how it has been validated (for example by elements such as internal and external audit).

### **3.1.5 Internal Audit Arrangements**

An update was provided regarding Internal Audit arrangements. There is now a general agreement between the 8 corporations to extend the current contract with TIAA until the end of September 24 to ensure a proper procurement process can be carried out.

The plan for this year is to carry out a normal audit plan, commencing with TIAA, who have agreed verbally to continue to work with us, and then depending on the outcome on the 1st of October TIAA will then have an orderly handover to the new assurance provider to avoid putting strain on the last two quarters. Vetting for the new providers has been built into the timetable.

A draft extension document completed which is currently in the process of being reviewed by Stephen Hughes and DFR, it will then be sent to South Wales at the beginning of next week.

A query was raised regarding whether Internal Audit should be placed on the Force or OPCC risk register which is to be considered.

- 3.2 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 Tuesday 18th June 2024

#### 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.
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

Seb Phillips

Director of Finance & Resources

North Wales Police

# North Wales Police

## Sustainability & Decarbonisation - Update

<b>Area</b>	Estate, Facilities and Fleet
<b>Authors</b>	Anna Pretious Environmental & Energy Conservation Manager Huw Jones Fleet Manager
<b>Date</b>	March 2024
<b>Purpose of paper</b>	<b>Information</b>

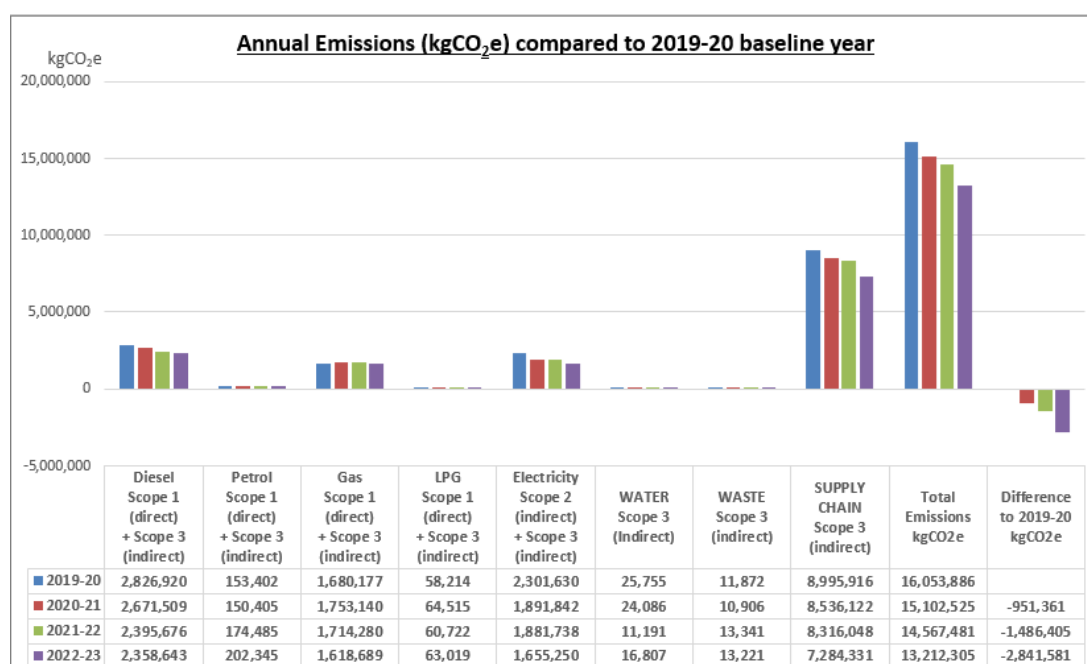
### Executive Summary

This report provides an overview and update on North Wales Police's Sustainability and Decarbonisation performance and will concentrate specifically on:

1. Emissions and the data they derive from.
2. A highlight report on Fleet

This report replaces any previously released data, due to more detailed information now being available.

### 1.NWP'S Decarbonisation Performance Summary:



The above emissions derived from the following consumption, usage, and cost data.

Base Data	Units	2019-20	2020-21	2021-22	2022-23
Diesel	litres	880,051	844,554	767,285	744,573
Petrol	litres	54,129	53,975	62,167	72,739
Gas	kWh	8,087,101	8,437,484	7,991,606	7,576,714
LPG	kWh	241,111	268,021	253,210	262,788
Electric (grid)	kWh	7,284,099	6,565,929	6,459,796	6,328,618
Water	m <sup>3</sup>	25,334	23,693	27,469	41,254
Waste	tonnes	361	303	325	366
Supply Chain	£	33,873,253	32,442,527	32,248,414	40,105,258

A number of gases contribute to climate change and six main greenhouse gases (GHGs) are covered by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), hydrofluorocarbons (HFCs), nitrous oxide (N<sub>2</sub>O), perfluorocarbons (PFCs) and sulphur hexafluoride (SF<sub>6</sub>). Different activities emit different gases, for example, burning fossil fuels releases carbon dioxide, methane and nitrous oxide into the atmosphere.

Organisations refer to Defra's GHG Conversion Factors to see which emissions they are most likely to emit and these GHG Conversion Factors enable them to then calculate the emissions for greenhouse gases covered by the Kyoto Protocol for a range of activities. The standard approach to calculating greenhouse gas emissions from activities is to multiply units of the 'activity data' (i.e., kWh of gas) by an 'emissions factor' (specific to gas for the year being assessed in kgCO<sub>2</sub>e/kWh). Carbon dioxide equivalent (CO<sub>2</sub>e) is a universal unit of measurement used to indicate the global warming potential of a greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide. It is used to evaluate the releasing (or avoiding releasing) of different greenhouse gases against a common basis. Emissions factors (carbon conversion factors) vary from year to year as systems (outside of the control of NWP) change, for example as the electricity grid decarbonises as the percentage of renewables contributing to it increases.

The emissions factors are based on the 'global warming potential' of the activity data being assessed, for example for waste, mixed recycling could have an EF of 21, whereas sharps clinical waste sent to high temperature incineration could have an EF of 1074, so for 5 tonnes of each waste type, the recycling would produce 106 kgCO<sub>2</sub>e, whereas the incinerated sharps would produce 5370 kgCO<sub>2</sub>e.

When determining a company's emissions, reporting boundaries need to be established.

Organisational boundaries are the boundaries that determine the operations owned or controlled by the reporting company, depending on the approach taken, be this an equity or control approach. For example, buildings which are managed/controlled directly by North Wales Police and 100% of the usage/costs are attributable to NWP, these will be included, whereas the Federation building is excluded (as 100% of the usage and costs are recharged to Federation) and the shared Police and Fire stations, have a 35% equity share to NWP. Saltney is now excluded since 2022-23 as this is 100% recharged to ROCU.

Operational boundaries are the boundaries that determine the core direct and indirect emissions associated with operations owned or controlled by the reporting company. This assessment allows a company to establish which operations and sources cause direct and indirect emissions.

Direct emissions are emissions from sources that are owned or controlled by the reporting company, for example natural gas and LPG used in boilers in the buildings or diesel and petrol used in the Fleet vehicles and are generally referred to as Scope 1 direct emissions.

Indirect emissions are emissions that are a consequence of the operations of the reporting company but occur from sources owned or controlled by another company. These will be either scope 2 emissions or scope 3 emissions.

Scope 2 indirect emissions derive from purchased electricity (grid supplied electric) consumed by the reporting organisation.

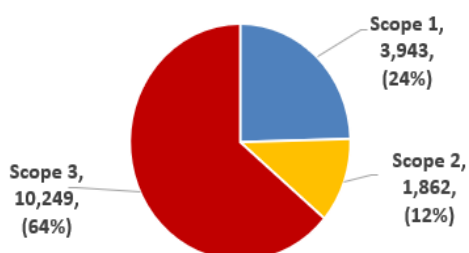
Scope 3 indirect emissions derive from other sources, such as water usage; waste disposal; purchased goods and services (supply chain), fuel and energy-related upstream activities, transportation, and distribution; business travel; employee commuting and homeworking. There are also scope 3 emissions associated with the scope 1 and 2 emissions, for example the transportation and delivery of gas to a building through the network would be scope 3, whereas the actual use of the gas in a boiler in a building would be scope 1.

Once the boundaries and scopes have been determined and the carbon conversion factors applied to establish kgCO<sub>2</sub>e of each emissions source, the standard procedure is to convert and report gross emissions as tonnes of CO<sub>2</sub>e and determine the % contributions by emissions source. Therefore, taking the data from the first page of this report, the 'reportable emissions' for North Wales Police are:

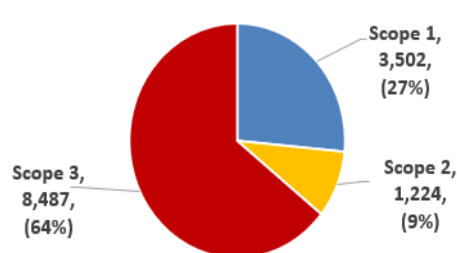
<b>Greenhouse Gas (GHG) emissions (CO<sub>2</sub>e, tonnes) for 2019-20 baseline year</b>	
Total Gross Emissions for Scope 1 (Direct GHG emissions) Fleet, Energy (Gas/LPG)	3,943
Total Gross Emissions for Scope 2 (Electricity Indirect emissions) Energy (Electric)	1,862
Total Gross Emissions for measured Scope 3 items (other Indirect GHG emissions)	10,249
<b>Total Gross Emissions</b>	<b>16,054</b>

<b>Greenhouse Gas (GHG) emissions (CO<sub>2</sub>e, tonnes) for 2022-23 (latest reporting year)</b>	
Total Gross Emissions for Scope 1 (Direct GHG emissions) Fleet, Energy (Gas/LPG)	3,502
Total Gross Emissions for Scope 2 (Electricity Indirect emissions) Energy (Electric)	1,224
Total Gross Emissions for measured Scope 3 items (other Indirect GHG emissions)	8,487
<b>Total Gross Emissions</b>	<b>13,212</b>

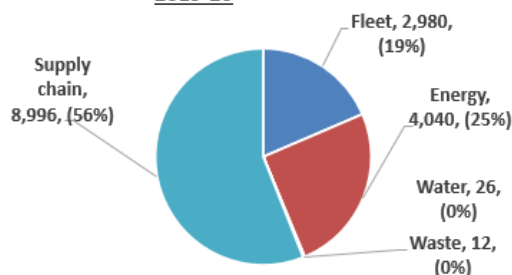
**Total Gross Emissions tonnes CO<sub>2</sub>e for 2019-20**



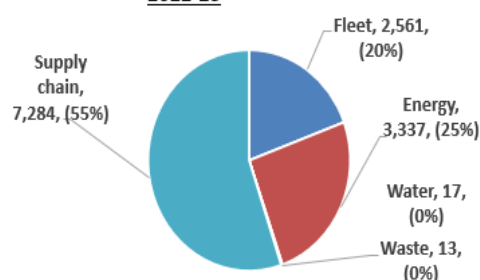
**Total Gross Emissions tonnes CO<sub>2</sub>e for 2022-23**



**Emissions by major source, tonnes CO<sub>2</sub>e  
2019-20**



**Emissions by major source, tonnes CO<sub>2</sub>e  
2022-23**



**Emissions Reduction in 2022-23 compared to 2019-20 = 2842 tonnes CO<sub>2</sub>e or 18 %**



The following section will look at the data relating to the major emission sources of Fleet, Energy, Water, Waste and Supply Chain.

Business travel, employee commuting and homeworking related emissions are still to be established.

Please note the carbon conversion factors change each year, so in some instances consumption (fleet fuel and buildings energy & water), generation (waste) or spend (supply chain) may have increased, but the resultant emissions are less in 2022-23 compared to 2019-20 due to the lower carbon conversion factors.

The main source of carbon conversion factors for GHG reporting in the UK is the annually produced UK Government GHG Conversion Factors for Company Reporting. The Welsh Government net zero carbon reporting tool has also been used.

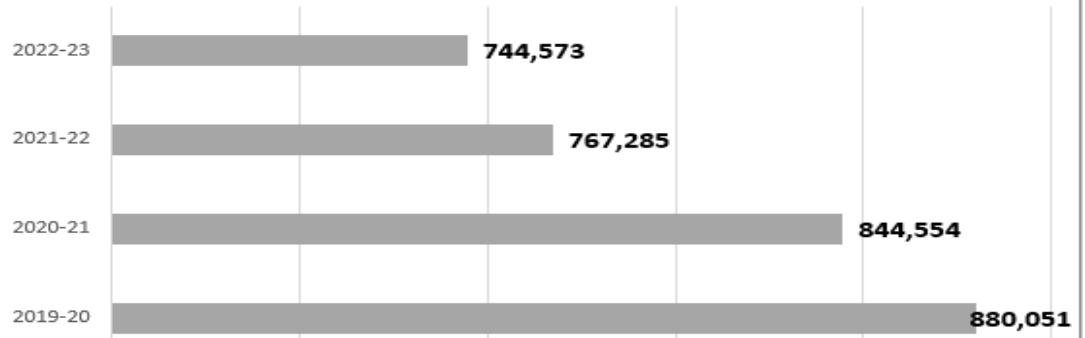
**Fleet fuel consumption:** (Direct Scope 1 and associated Indirect Scope 3 emissions)

Fleet fuel usage has two sets of emissions, Scope 1 Direct emissions, for the fuel dispensed into the vehicles at forecourt pumps and associated Scope 3 Indirect emissions, known as 'well to tank' which covers the production and delivery of the fuel to the filling stations.

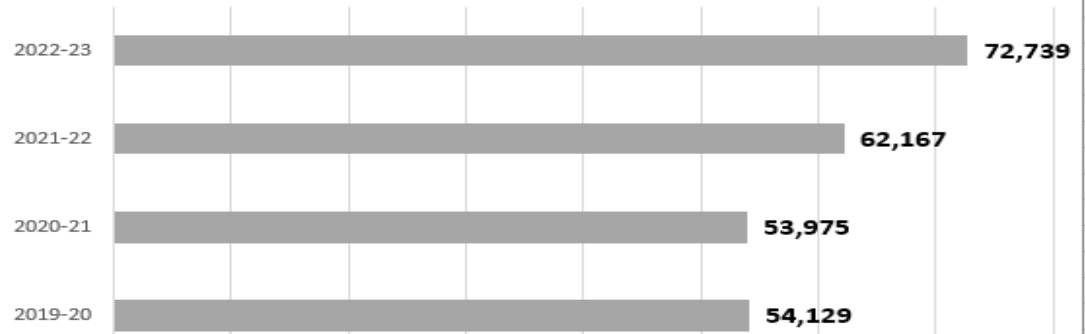
<b>Diesel - Consumption Litres (** see below for Petrol)</b>					CCF = carbon conversion factor	
	Diesel	Emissions kgCO <sub>2</sub> e - Diesel		DIESEL		
		Direct	Indirect (well to tank)	Total Emissions kgCO <sub>2</sub> e	Scope 1 CCF	Scope 3 CCF
	litres	Scope 1	Scope 3	(Scope 1 + 3)		
2019-20	880,051	2,283,454	543,466	2,826,920	0.24462	0.05822
2020-21	844,554	2,155,070	516,439	2,671,510	0.24057	0.05765
2021-22	767,285	1,927,707	467,969	2,395,676	0.23686	0.05750
2022-23	744,573	1,904,526	454,117	2,358,643	0.24115	0.05750
<b>Annual Performance (% difference) against baseline 2019-20:</b>						
20-21 vs 19-20	-4	-6	-5	-5		
21-22 vs 19-20	-13	-16	-14	-15		
22-23 vs 19-20	-15	-17	-16	-17		

<b>Petrol - Consumption Litres</b>					CCF = carbon conversion factor	
	Diesel	Emissions kgCO <sub>2</sub> e - Petrol		PETROL		
		Direct	Indirect (well to tank)	Total Emissions kgCO <sub>2</sub> e	Scope 1 CCF	Scope 3 CCF
	litres	Scope 1	Scope 3	(Scope 1 + 3)		
2019-20	54,129	120,759	32,643	153,402	0.23373	0.06318
2020-21	53,975	118,082	32,323	150,405	0.22920	0.06274
2021-22	62,167	136,360	38,125	174,485	0.22980	0.06425
2022-23	72,739	157,737	44,608	202,345	0.22719	0.06425
<b>Annual Performance (% difference) against baseline 2019-20:</b>						
20-21 vs 19-20	-0.3	-2	-1	-2		
21-22 vs 19-20	15	13	17	14		
22-23 vs 19-20	34	31	37	32		

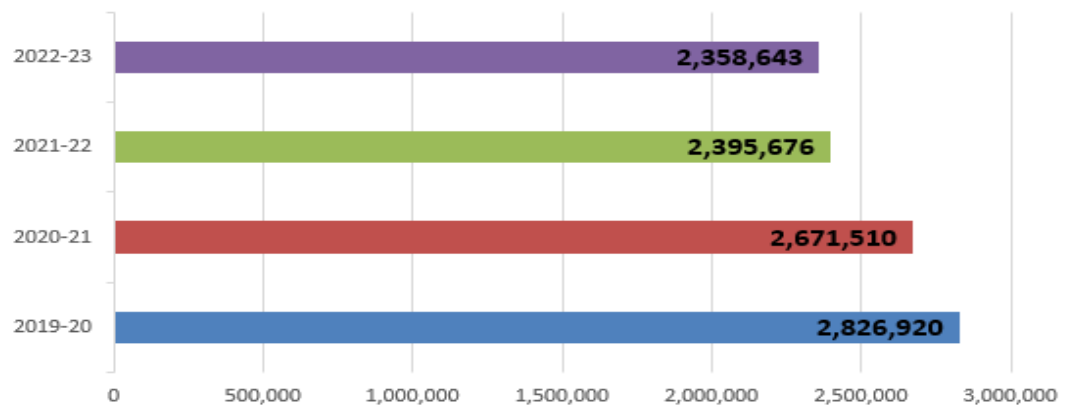
**DIESEL - consumption - litres**



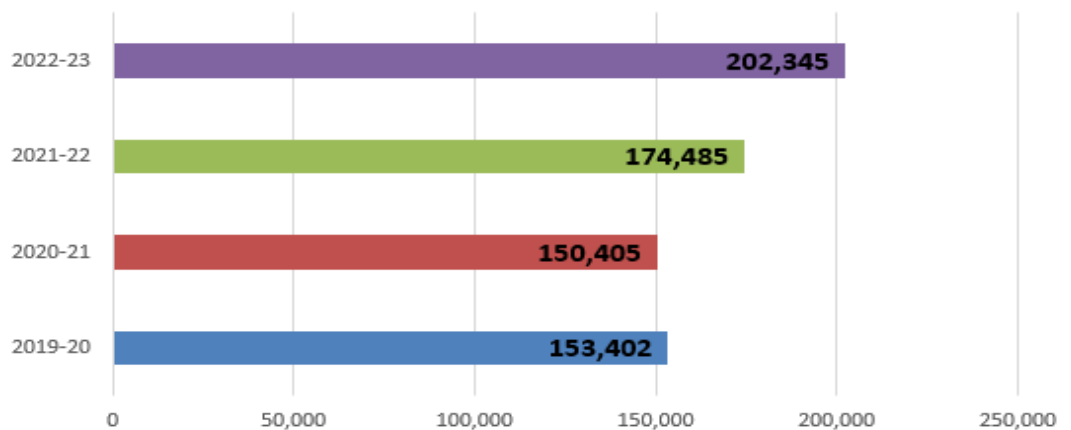
**PETROL - consumption - litres**



**DIESEL - Total emissions - kgCO<sub>2</sub>e (Scope 1 + 3)**



**PETROL - Total emissions - kgCO<sub>2</sub> (Scope 1 + 3)**



### **Highlight report relating to the Fleet (from Huw Jones, Fleet Manager)**

North Wales Police currently have 31 electric vehicles in various roles within the Fleet, the vehicles are deployed in roles where they start and finish at the same station and have a relatively consistent usage pattern. The strategy to date has been to deploy small volumes into different areas, with the aim of creating awareness and understanding the limitations and opportunities whilst preparing the organisation for the change to EVs.

We've learnt that in most cases we can incorporate EVs with minimal impact or a need to change how we operate, the introduction of EVs into CID, Logistics, Pool vehicles and specialist areas such as Seized Property has been relatively straightforward, and incorporating a vehicle into the Driver Training Fleet has allowed us to start preparing our drivers for a larger scale EV replacement program.

Incorporating Electric vehicles into Operational Policing roles is a different challenge as the usage is less predictable, and performance requirements of needing to drive at speed, often carrying equipment exposes the negative aspect of EV's, particularly the well understood range and charging challenges. We have three livered operational vehicles in the East of the Force being used by PCSOs and Neighbourhood Policing Officers which are being used successfully, and we have very recently introduced an electric detainee carrying van at Wrexham which will be evaluated in Q1&2 2024. We are aiming to introduce one electric response vehicle into the fleet in 2024, which will be a significant milestone and critical part of the journey.

The Fleet team have been working locally and collaboratively on a national basis to ensure we have vehicle procurement contracts in place that offer suitable electric vehicles and have been preparing the internal workshop and staff so that we can maintain and repair the vehicles once in service.

Electric vehicles are still more expensive than an internal combustion engine equivalent in most cases from a whole life cost point of view, however with the cost of the batteries reducing by approximately 14% year-on-year due to lower raw material costs and manufacturing efficiency gains as EV sales increase (anticipated by 21% in 2024 in the UK) they are likely to become a more competitive option financially in the near future, especially if we produce our own sustainable energy.

Vehicle manufacturers will need to meet tighter emissions regulations from 2025 onwards which will encourage/force growth in EV sales and is likely to change what's available for us to purchase. We have already seen changes to the market with less diesel options available, which has forced us to introduce more petrol vehicles to the Fleet. Whilst our overall vehicle emissions will continue to reduce, we anticipate an increase in petrol usage as we transition to EVs, noting that fuel efficiency in petrol vehicles is considerably worse than diesel in an operational policing role.

The next stage of our strategy is to agree and progress our internal charging infrastructure, which will allow us to increase the number of EV's on the Fleet.

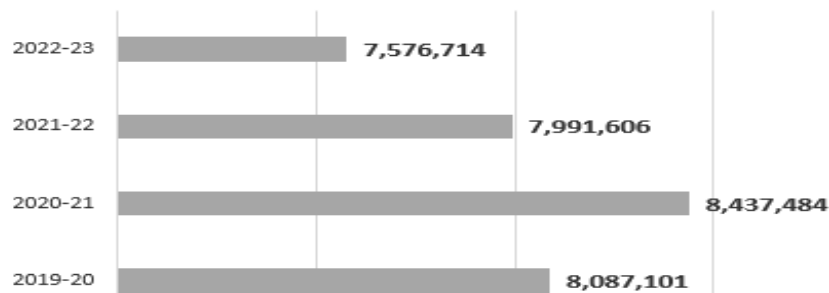
### **Gas & LPG consumption:** (Direct Scope 1 and associated Indirect Scope 3 emissions)

Gas and LPG usage has two sets of emissions, Scope 1 Direct emissions, for the fuel used in the boilers in the buildings and associated Scope 3 Indirect emissions, known as 'well to tank' which covers the production and delivery of the gas or LPG, prior to it entering the buildings.

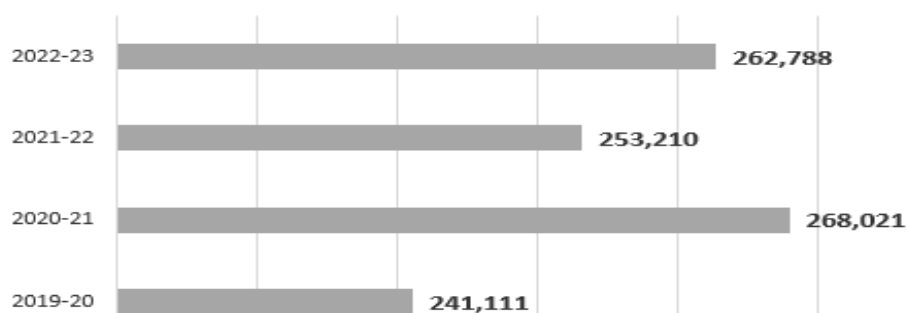
<b>GAS - Consumption kWh (**see below for LPG)</b>					CCF = carbon conversion factor	
	Natural gas	Emissions kgCO <sub>2</sub> e - Gas		GAS		
		Direct	Indirect (well to tank)	Total Emissions kgCO <sub>2</sub> e		
	kWh	Scope 1	Scope 3	(Scope 1 + 3)	Scope 1 CCF	Scope 3 CCF
2019-20	8,087,101	1,486,814	193,363	1,680,176	0.18385	0.02391
2020-21	8,437,484	1,551,400	201,740	1,753,140	0.18387	0.02391
2021-22	7,991,606	1,463,743	250,537	1,714,279	0.18316	0.03135
2022-23	7,576,714	1,383,053	235,636	1,618,689	0.18254	0.03110
Annual Performance (% difference) against baseline 2019-20:						
20-21 vs 19-20	4	4	4	4		
21-22 vs 19-20	-1	-2	30	2		
22-23 vs 19-20	-6	-7	22	-4		

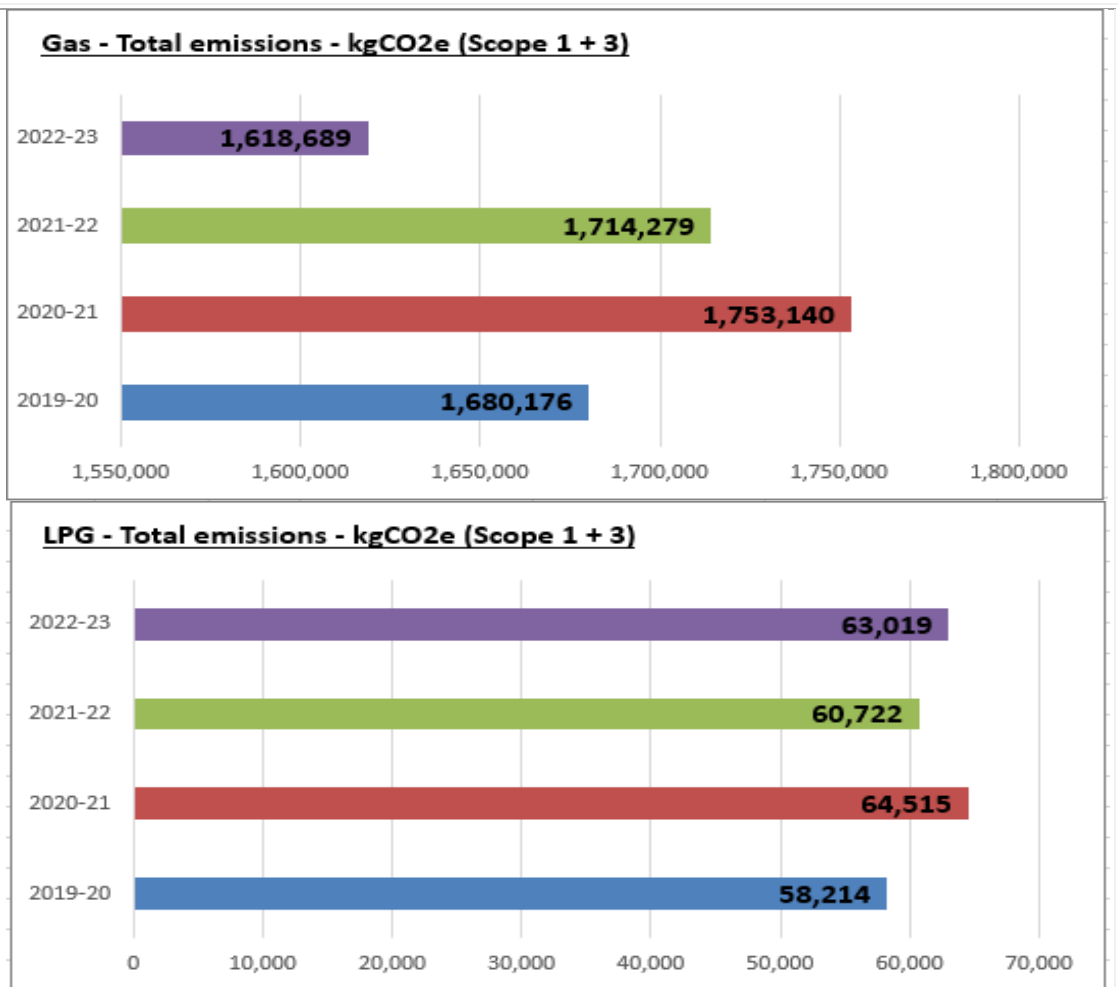
<b>LPG - Consumption kWh</b>					CCF = carbon conversion factor	
	LPG	Emissions kgCO <sub>2</sub> e - LPG		LPG		
		Direct	Indirect (well to tank)	Total Emissions kgCO <sub>2</sub> e		
	kWh	Scope 1	Scope 3	(Scope 1 + 3)	Scope 1 CCF	Scope 3 CCF
2019-20	241,111	51,711	6,503	58,214	0.21447	0.02697
2020-21	268,021	57,485	7,030	64,515	0.21448	0.02623
2021-22	253,210	54,311	6,411	60,722	0.21449	0.02532
2022-23	262,788	56,365	6,654	63,019	0.21449	0.02532
Annual Performance (% difference) against baseline 2019-20:						
20-21 vs 19-20	11	11	8	11		
21-22 vs 19-20	5	5	-1	4		
22-23 vs 19-20	9	9	2	8		

#### **GAS - consumption - kWh**



#### **LPG - consumption - kWh**





Gas (and LPG) consumption within the buildings is affected by weather/external temperature conditions, occupancy of the space and the thermal performance of the building.

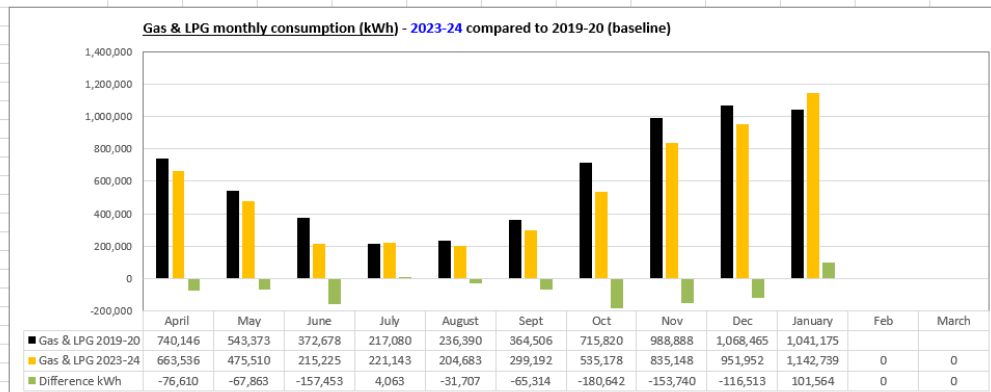
Why was the consumption high in 2020-21? About 40 sites (approx. 60% of the Estate) are on a Building Energy Management System (BEMS); running on Trend 963 (originally installed in 1995). The system has temperature sensors in the rooms with 'set points, programmed to 'demand heating' when set points are reached. Prior to the Covid pandemic these set points took into account that offices would be occupied with people and IT equipment, which produce background latent heat, so when the larger administration buildings (Force HQ, PFI etc) were vacated it affected temperatures and the heating in the buildings was more difficult to control. Once the occupancy of buildings stabilised again and new occupancy patterns were established, the system has been adjusted to take account of this.

Why has the gas consumption reduced in 2022-23? There is now better control of the heating at sites, especially PFI which accounts for almost 30% of the Force total gas consumption. At other sites the systems have been isolated/switched off during the non-heating season (from May to Autumn).

The Sustainability Fund is being used to install roof/loft insulation to improve the thermal performance of buildings across the Force (commenced in October 2023), this should reduce the heating demand for these sites in the future.

## Gas & LPG consumption 2023-24 vs 2019-20 baseline

GAS & LPG	April	May	June	July	August	Sept	Oct	Nov	Dec	January	Feb	March	TOTAL
Gas & LPG 2019-20	740,146	543,373	372,678	217,080	236,390	364,506	715,820	988,888	1,068,465	1,041,175			6,288,520
Gas & LPG 2023-24	663,536	475,510	215,225	221,143	204,683	299,192	535,178	835,148	951,952	1,142,739	0	0	5,544,305
Difference kWh	-76,610	-67,863	-157,453	4,063	-31,707	-65,314	-180,642	-153,740	-116,513	101,564	0	0	-744,215
	-10	-12	-42	2	-13	-18	-25	-16	-11	10	#DIV/0!	#DIV/0!	-12



**\*\* June 2023 vs 2019** – For the Local Policing Headquarters, St Asaph (PFI) the 2019-20 baseline was very high kWh (excessive consumption, forming a data spike), which leads to a large overall % difference for June in subsequent years. PFI is the largest gas consumer in the Estate, using approximately 30% of the Force annual total gas consumption.

**\*\* January 2024** – various sites had higher consumption compared to January 2020, including PFI and Force Headquarters, both of which are high gas consuming sites, this may be weather related, if January 2024 was colder than January 2020 there would be more demand for gas and the consumption will increase.

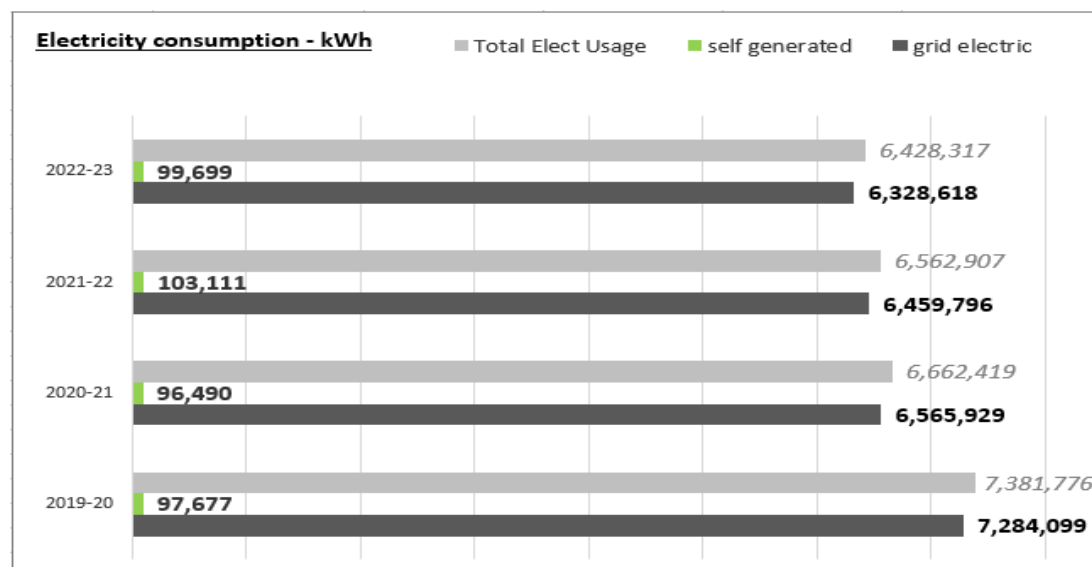
### Electricity consumption: (Indirect Scope 2 and associated Indirect Scope 3 emissions)

Electricity consumption has two parts:

- 1) Electricity which is self-generated on North Wales Police premises from photovoltaics (PV), this is applicable at Eastern Divisional Headquarters (Llay), Force Headquarters, Llandudno and Llangefni Police Stations and the joint Police and Fire Stations at Nefyn and Tywyn. As this is renewable energy, there are no emissions associated with its usage within these buildings.
- 2) Purchased electricity supply from the grid, this produces Scope 2 Indirect emissions and associated Indirect Scope 3 emissions from delivery through the national grid.

	Consumption kWh		
	Purchased Electric	Renewables	TOTAL kWh
	grid electric	self generated	Total Elect Usage
2019-20	7,284,099	97,677	7,381,776
2020-21	6,565,929	96,490	6,662,419
2021-22	6,459,796	103,111	6,562,907
2022-23	6,328,618	99,699	6,428,317
Annual Performance (% difference) against baseline 2019-20:			
20-21 vs 19-20	-10	-1.2	-10
21-22 vs 19-20	-11	6	-11
22-23 vs 19-20	-13	2	-13

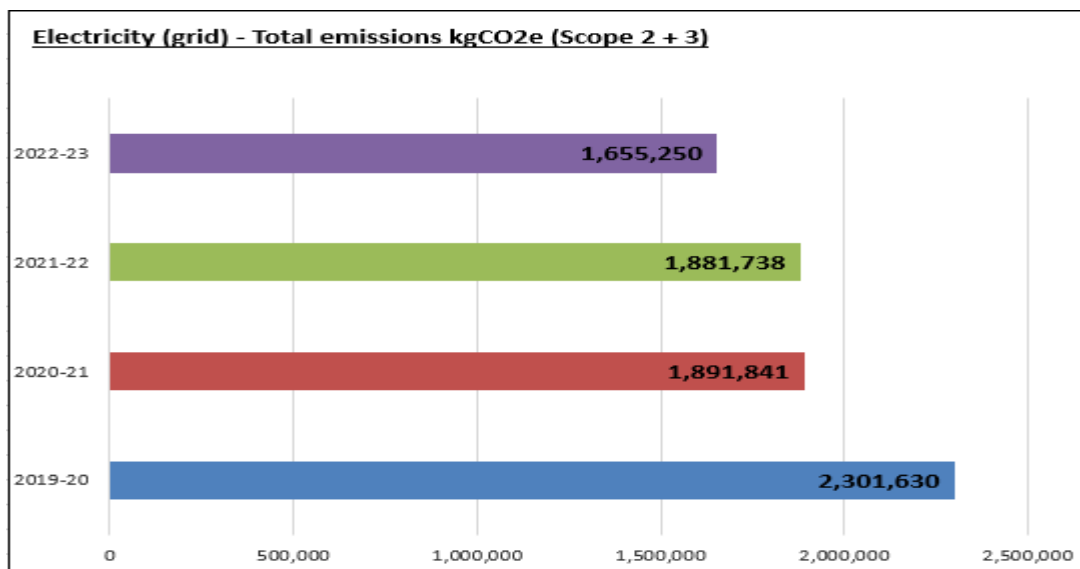
The self-generated (PV) electricity accounts for approximately 1% of the total electricity requirement of the Force, the remaining 99% deriving from the national grid. Discussions have taken place within the Facilities Department regarding increasing the amount of PV within the Estate and specialist contractors will be required to take this work further.



Purchased electricity from the grid has four sets of emissions, these are Scope 2 Indirect emissions relating to the production of the electricity at the power stations which feed the national grid (this varies depending on the mix of fossil fuel and renewables within the grid) and a further three sets of associated Scope 3 Indirect emissions for transmission and distribution, 'well to tank' generation and 'well to tank' transmission & distribution associated with the production and delivery of the supply via the grid and the origins of the fuel types used in the power stations.

	Consumption kWh	Emissions kgCO2e				
		Scope 2 - Indirect	Scope 3 - Indirect (upstream activities)			Total Emissions kgCO2e
	Purchased Electric	Purchased Electric	T&D	WTT - generation	WTT - T&D	
	grid electric	Scope 2				Total (Scope 2 + 3)
2019-20	7,284,099	1,861,816	158,065	259,678	22,071	2,301,630
2020-21	6,565,929	1,530,781	131,647	211,226	18,188	1,891,841
2021-22	6,459,796	1,371,608	121,380	357,162	31,588	1,881,738
2022-23	6,328,618	1,223,828	111,953	292,699	26,770	1,655,250
Annual Performance (% difference) against baseline 2019-20:						
20-21 vs 19-20	-10	-18	-17	-19	-18	-18
21-22 vs 19-20	-11	-26	-23	38	43	-18
22-23 vs 19-20	-13	-34	-29	13	21	-28
carbon conversion factors						
	Scope 2	Scope 3				
	Purchased Electricity (grid)	Transmission & Distribution (T&D)	WTT - UK electricity generation	WTT - UK electricity T&D		
2019-20	0.25560	0.02170	0.03565			0.00303
2020-21	0.23314	0.02005	0.03217			0.00277
2021-22	0.21233	0.01879	0.05529			0.00489
2022-23	0.19338	0.01769	0.04625			0.00423

The Scope 2 carbon conversion factors have reduced each year as the grid decarbonises as more renewable generation is included, whereas the carbon relating to the delivery of the supply has increased.



The reduction in electricity consumption since 2019-20 has resulted from:

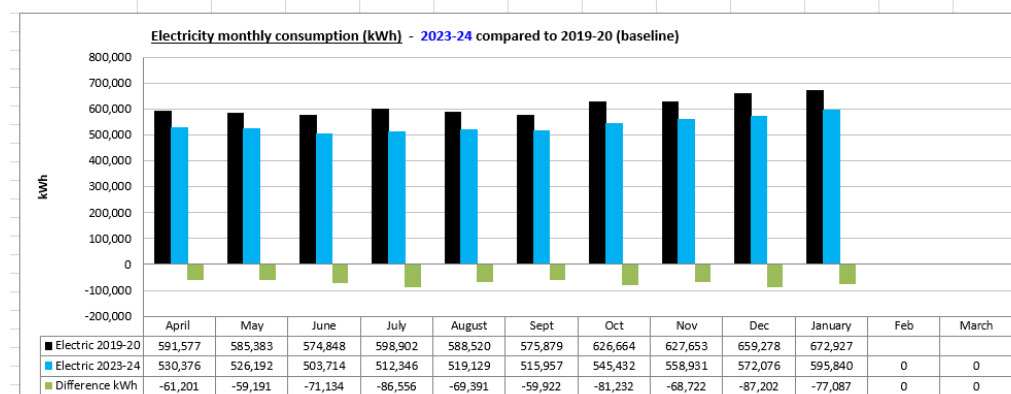
(i) The introduction of Agile Working across the Force since the Covid pandemic has contributed to a reduction in consumption, this is particularly noticeable in the larger administration buildings (FHQ, Alex House, Llety'r Dryw, PFI) which have seen a collective reduction of around 352,000 kWh.

(ii) installation of LED lighting to larger consuming sites and stations; over a quarter of the NWP estate now has LED lighting, with work programmes for further projects currently ongoing. Sites which have had LEDs installed since 2019-20 have shown a collective reduction in electricity demand of around 411,000 kWh.

(iii) Changes to the Estate also affects consumption, for example the closure of Gresford and Benllech Police Stations has removed 10,630kWh; the new more energy efficient Vehicle Commissioning Centre in St Asaph uses around 52,000 kWh annually, compared to the previous VCC in Deeside it replaced, which used around 140,000 kWh.

#### Electricity consumption 2023-24 vs 2019-20 baseline

ELECTRICITY	April	May	June	July	August	Sept	Oct	Nov	Dec	January	Feb	March	TOTAL
Electric 2019-20	591,577	585,383	574,848	598,902	588,520	575,879	626,664	627,653	659,278	672,927			6,101,633
Electric 2023-24	530,376	526,192	503,714	512,346	519,129	515,957	545,432	558,931	572,076	595,840	0	0	5,379,995
Difference kWh	-61,201	-59,191	-71,134	-86,556	-69,391	-59,922	-81,232	-68,722	-87,202	-77,087	0	0	-721,638
Difference %	-10	-10	-12	-14	-12	-10	-13	-11	-13	-11	#DIV/0!	#DIV/0!	-12



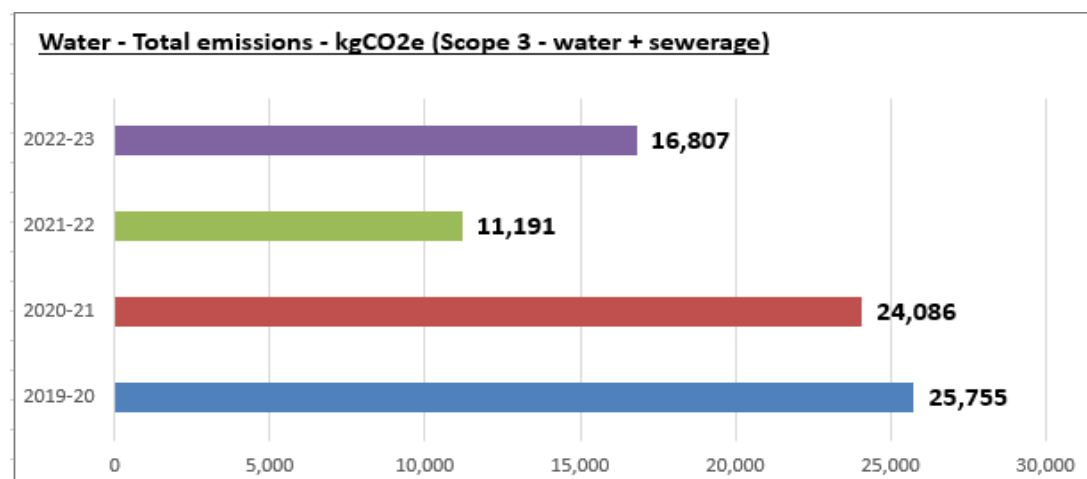
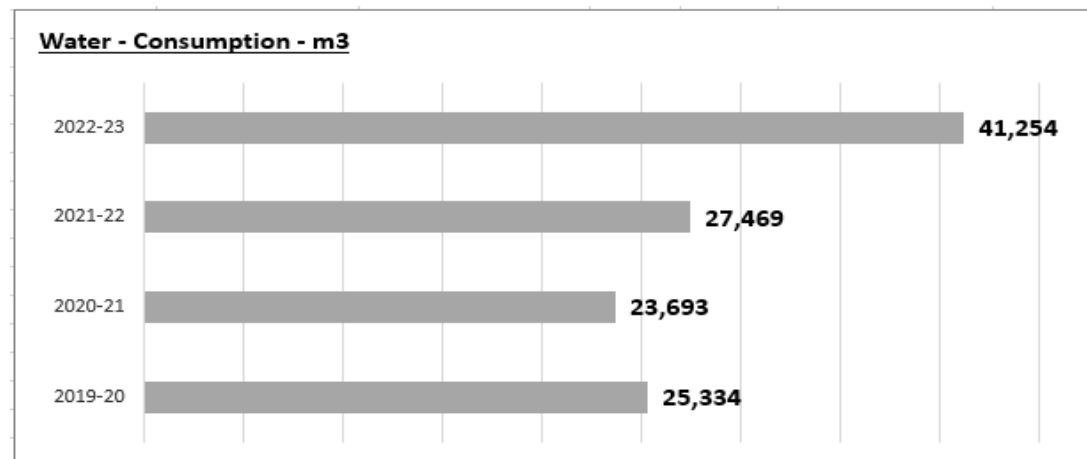


### **Water consumption:** (Indirect Scope 3 emissions)

Water usage has two sets of emissions, Scope 3 Indirect emissions relating to the water usage and Scope 3 Indirect emissions relating to water treatment (sewerage).

WATER	Consumption m3	Sewerage m3	Emissions kgCO2e		Emissions kgCO2e	CCF = carbon conversion factors	
			Scope 3 - Indirect Water Usage	Scope 3 - Indirect Water Treatment		CCF Water	CCF - sewerage
			Scope 3 - water	Scope 3 - sewerage	Total Scope 3		
2019-20	25,334	24,067	8,715	17,040	25,755	0.344	0.708
2020-21	23,693	22,508	8,150	15,936	24,086	0.344	0.708
2021-22	27,469	26,096	4,093	7,098	11,191	0.149	0.272
2022-23	41,254	39,191	6,147	10,660	16,807	0.149	0.272
Annual Performance (% difference) against baseline 2019-20:							
20-21 vs 19-20	-6	-6	-6	-6	-6		
21-22 vs 19-20	8	8	-53	-58	-57		
22-23 vs 19-20	63	63	-29	-37	-35		

1 m3 = 1000 litres



Water is an example where consumption has increased, but the related emissions have decreased because of a change in the carbon conversion factors.

Water consumption increased in 2022-23 because of leaks, the main one being a significant leak at Force Headquarters (FHQ), resulting in an additional 16,230m3 going through the metered supply, this was an underground leak, which could not be detected until it broke through the surface within the grounds. Other leaks occurred on pipework at the Firearms Training Complex (FTC) (an additional 712m3 drawn off the supply) and from constantly

running toilet cisterns at Rhosllanerchrugog Police Station (94m3) and Abergele Police Station (151m3), these leaks were identified by NWP personnel and reported to the Facilities Department, who engaged Contractors to rectify the situation.

The leaks at FHQ and the FTC started in the 2021-22 financial year, which contributes to the increased consumption in that year.

#### **Waste Generated:** (Indirect Scope 3 emissions)

North Wales Police is currently the only Welsh Force (and one of the few Forces in the UK) capable of reporting emissions relating to waste disposal based on actual quantities (tonnes and litres); other Forces are basing their data on spend.

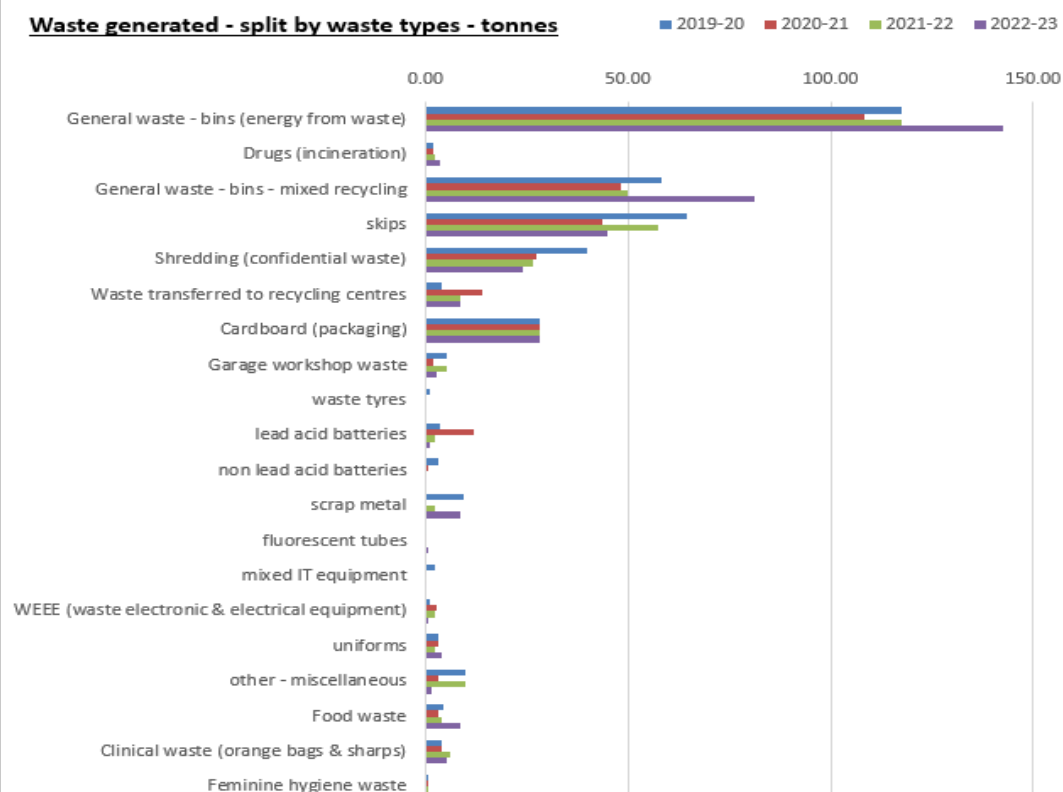
Liquid waste is 'assumed' as tonnes, as there are no conversion factors for liquid waste available in the carbon conversion datasets from DEFRA or the Welsh Government.

As waste is based on weight (for solid wastes) it must be understood that the same volume bin can produce very different weights, for example a general waste bin (black bag waste) tends to be heavier than general waste recycling, which contains mainly plastic and is much lighter as the volume is mostly air.

There are 34 waste streams being recorded, covering everything from bins in offices, to vehicle commissioning waste, confidential waste, clinical waste to drug disposal. The waste streams are then collated into five main emissions groups, depending on the type of disposal route.

<b>Data split by waste streams:</b>		<b>Weight (tonnes)</b>			
<b>Disposal Type</b>	<b>Waste Type</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
combustion	General waste - bins (energy from waste)	117.34	108.34	117.45	142.66
combustion	Drugs (incineration)	2.08	2.08	2.18	3.44
recycling	General waste - bins - mixed recycling	58.05	48.18	49.95	81.04
recycling	skips	64.34	43.66	57.50	45.01
recycling	Shredding (confidential waste)	39.96	27.28	26.39	24.22
recycling	Waste transferred to recycling centres	3.80	13.90	8.60	8.48
recycling	Cardboard (packaging)	28.08	28.08	28.08	28.08
recycling	Garage workshop waste	5.27	1.97	5.23	2.62
recycling	waste tyres	1.16			
recycling	lead acid batteries	3.62	12.05	2.28	1.00
recycling	non lead acid batteries	2.94	0.62	0.02	0.01
recycling	scrap metal	9.27	0.00	2.48	8.78
recycling	fluorescent tubes	0.23	0.21	0.23	0.46
recycling	mixed IT equipment	2.28	0.41	0.41	0.41
recycling	WEEE (waste electronic & electrical equipment)	0.97	2.71	2.33	0.44
recycling	uniforms	3.14	2.94	2.20	4.10
recycling	other - miscellaneous	9.65	3.13	9.67	1.35
anaerobic digestion	Food waste	4.45	2.95	4.00	8.51
high temperature incineration	Clinical waste (orange bags & sharps)	3.94	3.94	5.93	5.05
landfill	Feminine hygiene waste	0.75	0.75	0.49	0.49
	<b>TOTAL</b>	<b>361.32</b>	<b>303.20</b>	<b>325.42</b>	<b>366.15</b>

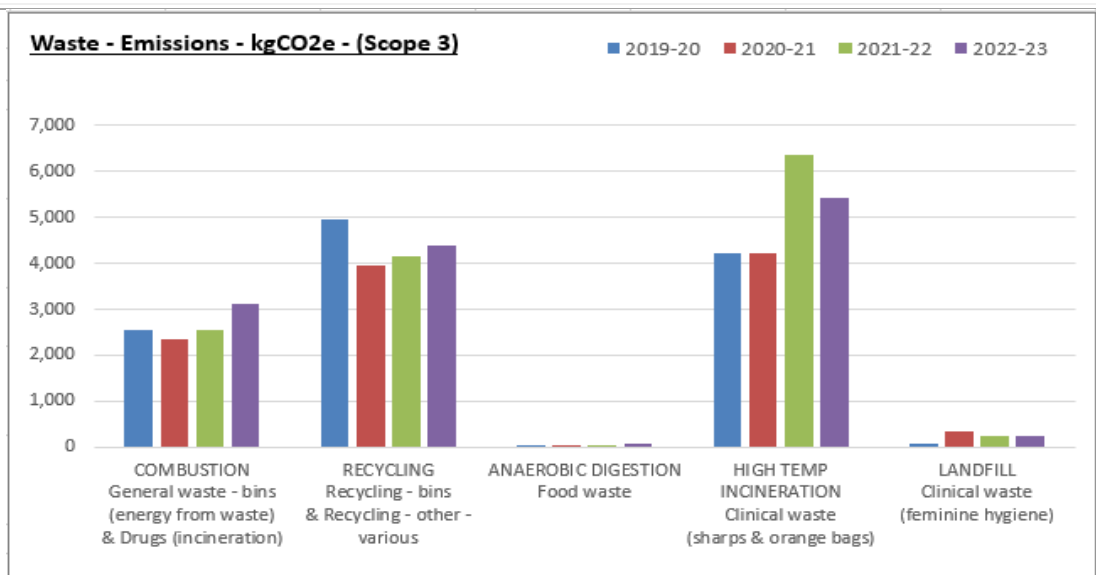
### Waste generated - split by waste types - tonnes



Data split by waste streams:		Emissions (kgCO <sub>2</sub> e)			
Disposal Type	Waste Type	2019-20	2020-21	2021-22	2022-23
combustion	General waste - bins (energy from waste)	2,505.65	2,309.45	2,500.93	3,035.83
combustion	Drugs (incineration)	44.42	44.34	46.42	73.20
recycling	General waste - bins - mixed recycling	1,239.59	1,027.04	1,063.61	1,724.55
recycling	skips	1,373.90	930.69	1,224.38	957.82
recycling	Shredding (confidential waste)	853.30	581.52	561.94	515.41
recycling	Waste transferred to recycling centres	81.14	296.30	183.12	180.46
recycling	Cardboard (packaging)	599.61	598.57	597.92	597.55
recycling	Garage workshop waste	112.53	41.99	111.37	55.75
recycling	waste tyres	24.77			
recycling	lead acid batteries	77.30	256.87	48.55	21.28
recycling	non lead acid batteries	62.78	13.22	0.43	0.21
recycling	scrap metal	197.95	0.00	52.81	186.84
recycling	fluorescent tubes	4.91	4.48	4.90	9.79
recycling	mixed IT equipment	48.69	8.74	8.73	8.72
recycling	WEEE (waste electronic & electrical equipment)	20.71	57.77	49.61	9.36
recycling	uniforms	67.05	62.67	46.85	87.25
recycling	other - miscellaneous	206.06	66.72	205.91	28.73
anaerobic digestion	Food waste	45.41	30.10	35.80	75.83
high temperature incineration	Clinical waste (orange bags & sharps)	4,231.56	4,231.56	6,368.82	5,423.70
landfill	Feminine hygiene waste	74.82	343.63	228.85	228.83
TOTAL		11,872.17	10,905.66	13,340.95	13,221.12

note: for the same volume bin - mixed recycling (mainly plastic) is not as heavy as black bag waste (energy from waste) - therefore less emissions produced

Scope 3 - carbon conversion factors				
Disposal Type	2019-20	2020-21	2021-22	2022-23
combustion	21.354	21.317	21.294	21.280
recycling	21.354	21.317	21.294	21.280
anaerobic digestion	10.204	10.204	8.951	8.911
high temperature incineration	1074	1074	1074	1074
landfill	99.759	458.176	467.046	467.008

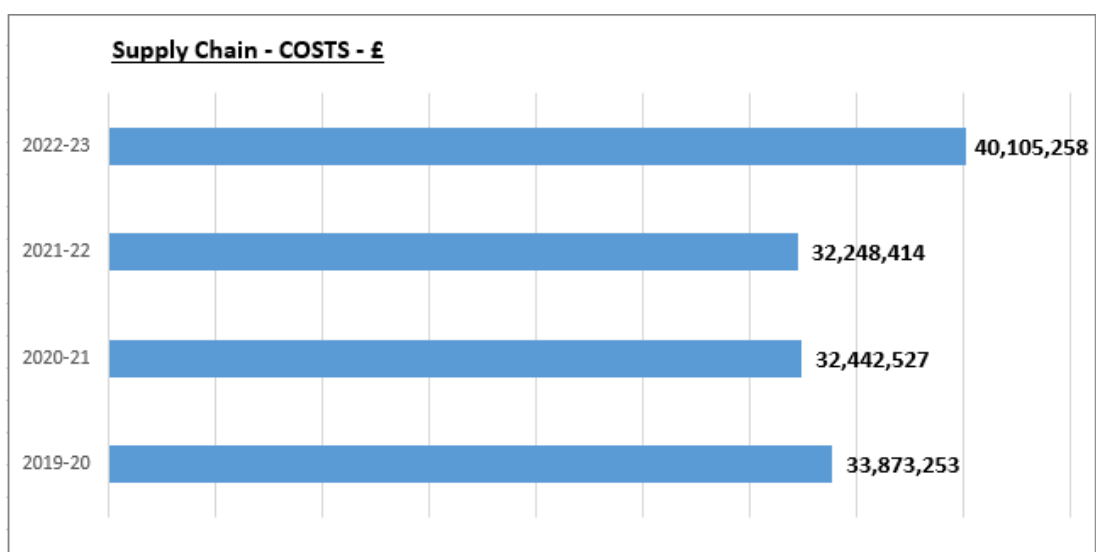


Clinical waste (sharps & orange bags) is one of the smallest waste streams by volume but has the highest emissions due to the high carbon conversion factor.

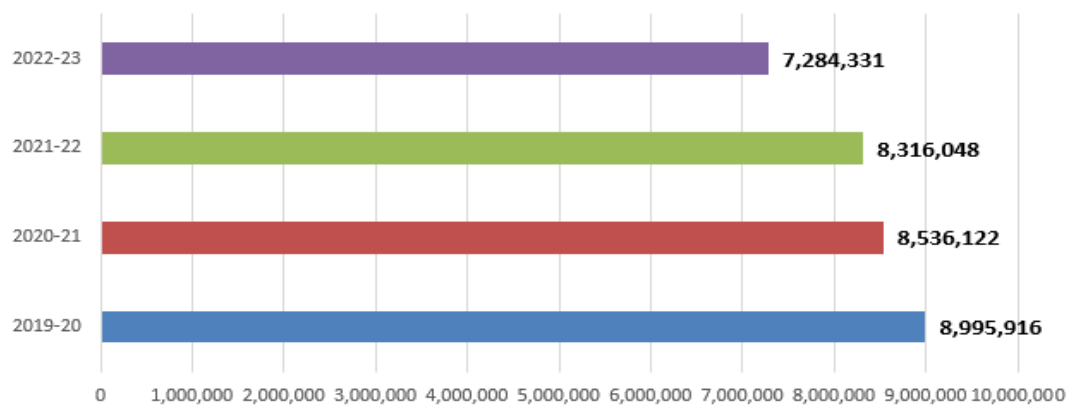
A complete review of waste management within the Force is currently being undertaken; from April 2024, the Welsh Government is introducing new regulations that require all workplaces to separate recyclable materials in the same way that most householders do now. This will improve the quality and quantity of how waste is collected, separated, and disposed.

#### **Supply Chain:** (Indirect Scope 3 emissions)

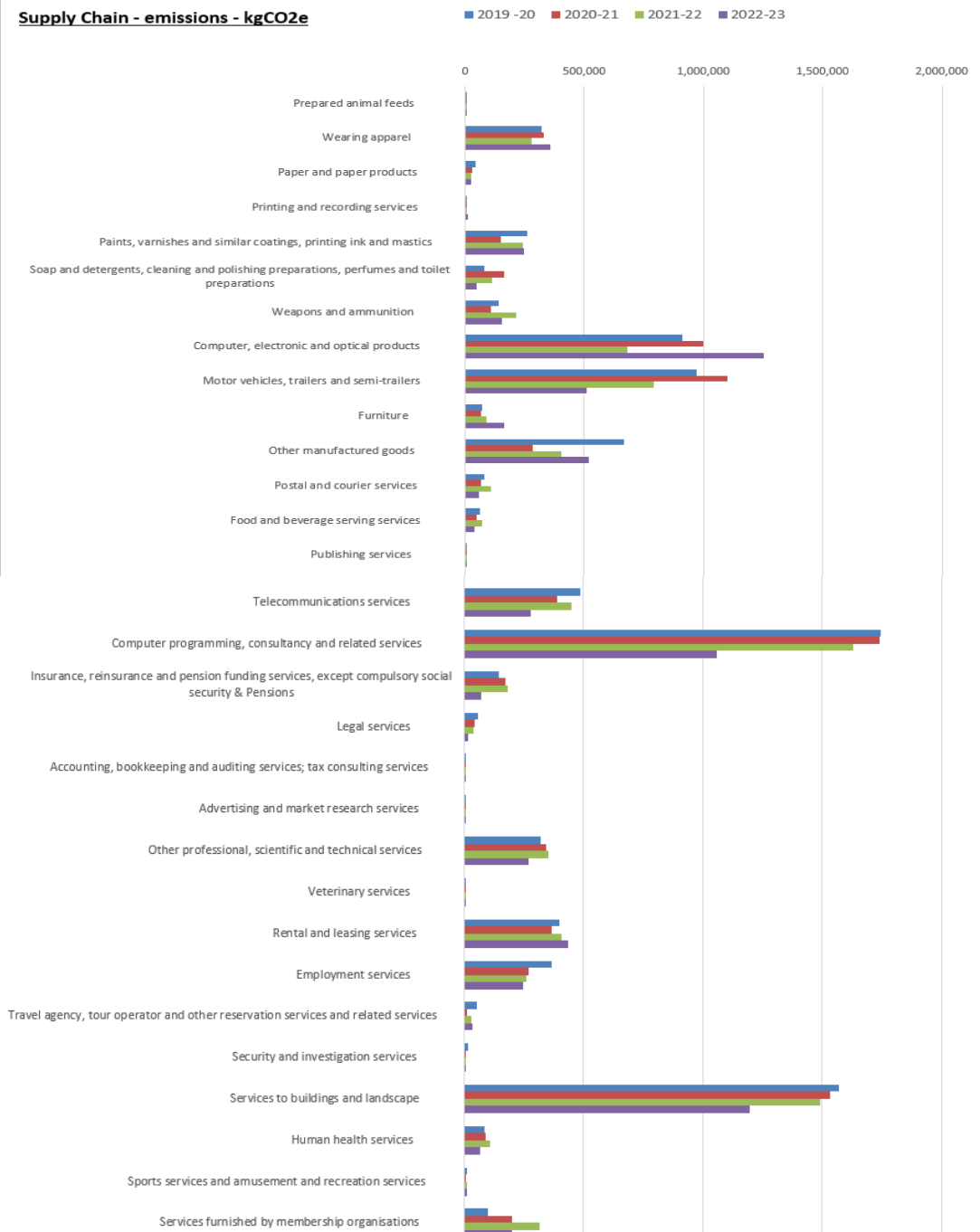
Supply Chain is based on spend (£) and split between SIC codes relating to the spend activity. North Wales Police's cost data has been applied to 29 different categories within the Welsh Government net zero carbon reporting tool for each year 2019-20 to 2022-23. Supply chain emissions is a new area of carbon accounting and the only carbon conversion factors available to NWP to use are those contained in the Welsh Government reporting tool. The carbon conversion factors remained the same for 2019-20, 2020-21 and 2021-22 and then they reduced in 2022-23, so even though the spend increased in 2022-23 the resultant emissions reduced.



### Supply Chain - emissions - kgCO<sub>2</sub>e (Scope 3)



### Supply Chain - emissions - kgCO<sub>2</sub>e



Key Risks / Issues	<p>Energy costs – there was a significant cost escalation from 1<sup>st</sup> October 2022 in the cost of purchasing electricity and gas; these were reduced slightly due to the implementation of the Government’s Energy Bill Relief Scheme; energy costs for 1<sup>st</sup> October 2023 are lower, but still significantly higher than historical energy costs seen in previous years.</p> <p>Improving the control of heating and cooling in buildings – About 40 sites (approx. 60% of the Estate) are on the Building Energy Management System (BEMS); running on Trend 963 (originally installed in 1995) which is now obsolete, the latest version is now iQ Vision. The Trend 963 is still useable but limited as the remote dial in to sites by Facilities personnel has been lost due to changes in the NWP IT systems (the Trend Contractors are still able to access the BEMS through their systems). The Trend 963 also does not provide the modern features required for improved energy management, which are available through iQ Vision. To change from Trend 963 to iQ Vision entails changes to be made, moving from a phone line system to the NWP IT networked system, plus purchasing the iQ Vision software. Facilities are liaising with the IT Department as it requires a network company to come in and spec the works required and ascertain the costs for the new system (costs are unknown at this stage but are expected to be significant).</p>
Actions	To note the content of this report.



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# NWP Ethics Committee K Ambrose



# New External Chair - Vicci Holbrook-Hughes

- My background ;
  - Originally training as a Nurse, Social Services Senior Manager, Portsmouth
  - CEO of a small charity in West Rhyl, a recent short spell as a Research Officer for the Centre of Expertise on Child Sexual Abuse (CSA Centre)
  - Several years and roles within Childline: my last role being the Manager of the Prestatyn base.
- Currently an Appropriate Adult and am engaged in some short-term consultancy work for the Church of England on safeguarding matters
- My passion for ethics has been the cornerstone of my personal life and professional career for as long as I remember, and I am committed to supporting North Wales Police in its continued ethical explorations.





# Updated committee TOR

The Ethics Committee is responsible for enhancing trust and confidence in the ethical governance and actions of North Wales Police and the Office of The Police and Crime Commissioner.

To discharge its responsibilities members will

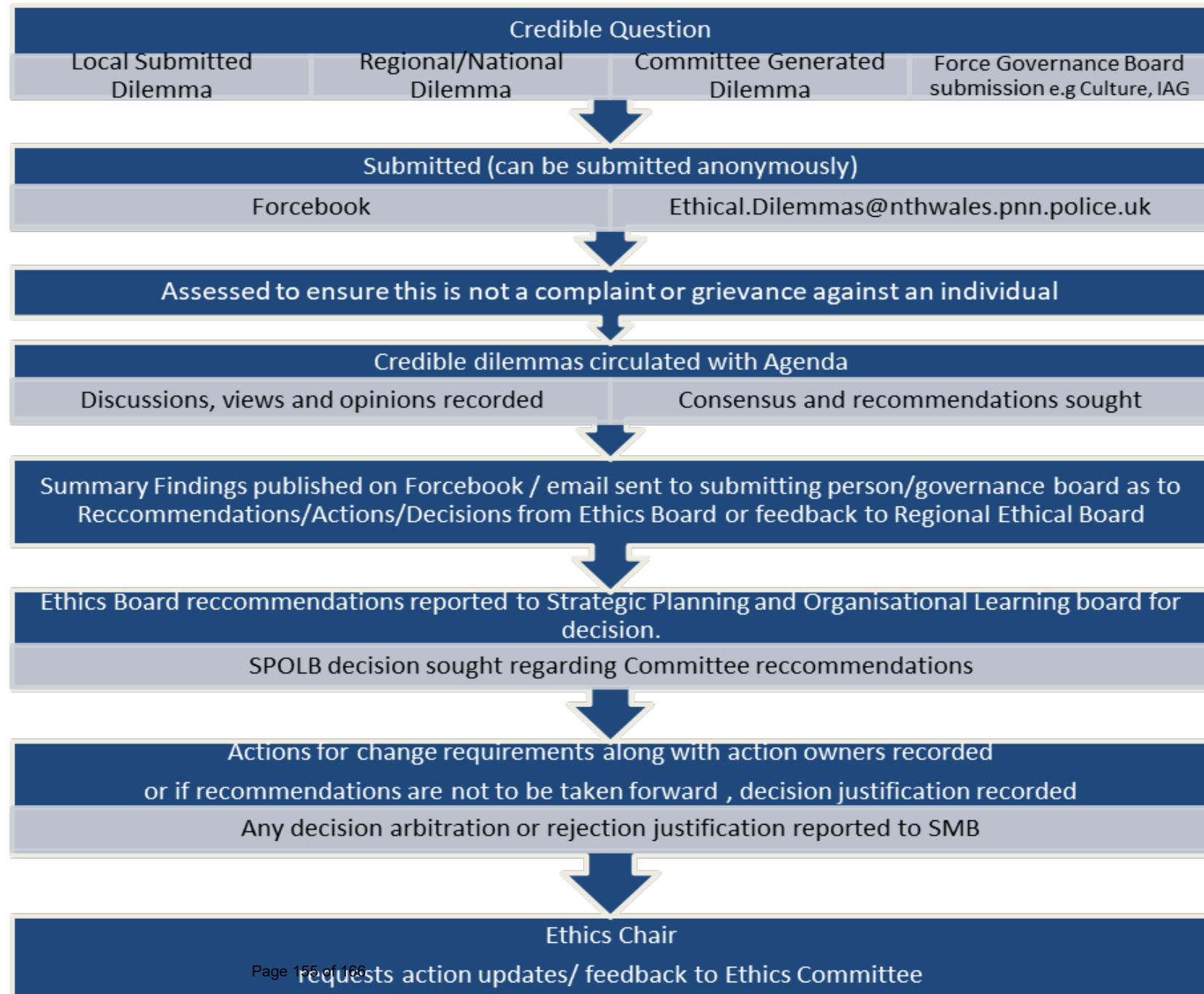
- Consider ethical dilemmas submitted to the committee and make recommendations to Chief Officers and the PCC.
- Promote the highest standards of ethical conduct.
- Provide a focus for education into ethical issues.
- Be a source of support to other boards and all areas of the force on ethical issues and ethical assurance.
- Ensure compliance with organisational values.
- Use the College of Policing “Code of Ethics” to assist in decision making.
- Provide ethical assurance check for NWP Algorithm/AI usage, utilising checking Standards framework.
- Provide ethical assurance check for NWP new and reviewed policies.
- Provide ethical assurance and link into the NWP culture board.
- Identify opportunities for learning and/or change implementation

# Forcebook communications to widen engagement

## Ethical Dilemmas

- Even though we adopt the Code of Ethics framework daily, there are times when we are unsure if we have made the right decision. Or there may be times when you have pondered over some decision making within the organisation and thought "how is that right" but again nowhere to take your credible question to.
- To ensure North Wales Police promotes an ethical approach to decision making and maintains an ethical culture throughout the organisation we are implementing an Ethics Committee where these types of queries can be discussed.
- There is a dedicated ethical dilemmas page on Forcebook  
<http://intranet.nwp.net/sites/ed/SitePages/Home.aspx>
- Please submit any Ethical dilemmas to the board via the following link  
<http://intranet.nwp.net/sites/ED/SitePages/Submit%20a%20Dilemma.aspx> or via email to [Ethical.Dilemmas@nthwales.pnn.police.uk](mailto:Ethical.Dilemmas@nthwales.pnn.police.uk)

# Ethical Dilemma Process Flow



# Selection of Dilemmas discussed over past 12 months

## Vaping

- Vaping is supported by the NHS as a way for our staff smokers to quit. NWP do not allow smoking including e-cigarettes on police sites (including car parks) meaning staff will often have to walk (sometimes at 3 in the morning) to a location off site. If we in NWP allowed vaping onsite it would encourage those smoking to quit cigarettes. Is it ethical and right to send vapers off site similarly to those smoking cigarettes? Would it be ethical to provide nominated vaping areas on site for vaping only and not smoking?
- Recommendation of the Committee is that the current rules within NWP should stand – smoking and vaping are not allowed on any police premises.

## Train Travel

- There is a national compensation scheme available at present called 'delay repay'. The scheme is designed to streamline applications for compensation in the event of rail delays with a percentage of the rail fare refunded depending on the time delay. When travelling for work on trains that are pre-booked for us can we utilise this scheme when we are subject to delays.
- Recommendation by the Ethics Committee that the individual can claim for their time via their employer, but the refund should be claimed by whoever paid for the ticket e.g. the organisation.
- Actioned to add the Delay Repay scheme into the relevant NWP policy.

# Selection of Dilemmas discussed over past 12 months

## **Community Councillor**

- Should a serving police officer be allowed to be a Community Councillor?
- The Committee is in support.

## **ACL Policy**

- Should ACL be applied to incidents involving staff members ?
- Access Control Levels means masking Occurrences/People/Documents from the general policing population and also prevents the same being shared with the Police National Database (PND) for the wider Law Enforcement community.
- Potential Recommendation was ACL policy could be taken regional meeting. In NWP a Gold Group has been set up looking at use of ACLs

## **Police Office/Staff Investigations**

- Where a police officer/staff member is facing a criminal investigation should they remain in the workplace or should they be suspended on full pay? If they are to stay in the workplace, should they remain in a public facing role?
- Potential recommendation was for external scrutiny on whether to suspend an individual, but Police Regulations do not support this.

# Forward looking

- Ethics committee inclusion in all new policy assurance ratification
- Chairperson representing Ethics at Culture Committee
- Further promotion of Ethics committee and widening membership
- Focus not only on submitted dilemmas but committee generated dilemmas to form a workplan
- Link in with key governance boards to raise and bring forward dilemmas , Culture boards and IAG , AIG
- Proactively looking for Ethical dilemmas not waiting for them to come in and asking those challenging questions 'have we looked at this'
- Seek to ensure we enable public access and transparency to dilemmas discussed, by publishing on external facing website





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## Archwiliad diwylliannol / Cultural Audit

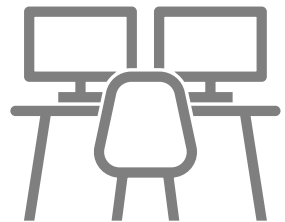
Gethin Jones



# Cultural Audit Review



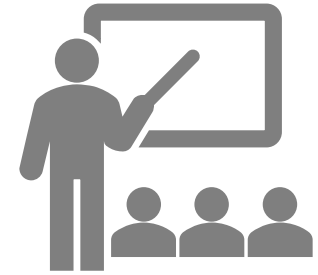
Shine a light on the  
organisation



Desktop Based Analysis



Commissioned in  
February 2023



Validation Workshops



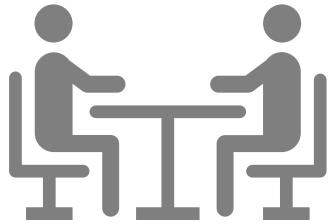
Cultural Playback



Yn gwneud Gogledd Cymru'r lle mwyaf diogel i fyw, gweithio ac ymweld yn y DU  
Making North Wales the safest place to live, work and visit in the UK



# What was positive?



**Colleagues and  
Communities**



**Kit, Uniform, Fleet and  
ICT**

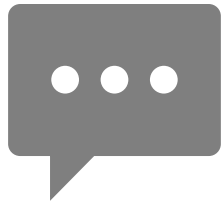


**Welfare Provision**



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# What do we need to look at?



**Confidential Anonymity**



**'Old Boys Club'**



**Promotion Processes**



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# Inclusive Leadership Programme

- Largest investment in leadership for 15 years
- 1st and 2<sup>nd</sup> line managers
- To date.....18 workshops, 232 delegates
- Aligned to Senseia
- Excellent feedback



# Code of Ethics



## Cod Moeseg

Gwneud y pethau iawn, yn y  
ffordd iawn, am y rhesymau cywir

#CodMoeseg #CodeofEthics



## Code of Ethics

Doing the right things, in the  
right ways, for the right reasons

#CodeofEthics



- National launch 24/1/24
- 'Reflect to perfect'
- Practical and better explained
- Extensive comms plan in 2 phases
- Embed learning, focusing on '**right things, right way for the right reasons**'
- Strong links to 'culture'



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# Culture Board

- Culture of responsibility – *‘the social force that binds you to your obligations and the courses of action demanded by that force’*
- Final report from Senseia.
- Strong correlation with Ethics committee and Inclusive leadership programme
- Timely with the launch of the new Code of Ethics
- Three core objectives – Psychological safety  
Meaningful dialogue  
Responsibility
- Internal communication





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**Diolch yn fawr | Thank you**  
**Unrhyw gwestiynau / Any questions**