

**HEDDLU
GOGLEDD CYMRU
NORTH WALES
POLICE**

JOINT AUDIT COMMITTEE

**9.30am – 10 December 2020
Online by Microsoft Teams**

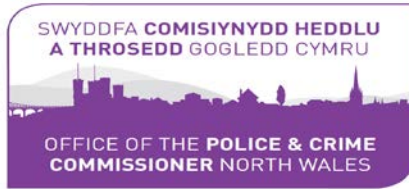
AGENDA

Attendees:

JOINT AUDIT COMMITTEE:	
Rachel Barber - Chair John Cunliffe	Dianne Walker Claire Hodson
FORCE OFFICERS:	
Seb Phillips – Director of Finance & Resources Guto Edwards - Head of Finance Helen Williams - Financial Control Accountant Anne Matthews – Finance & Budgets Officer	T/Chief Superintendent Sian Beck – Corporate Services James Sutton – Head of Business Intelligence/Chair of Assurance Board Greg George, Head Diversity Development (Item 137 only) Kerry Ambrose, Head of Change and Collaboration (Item 137 only)
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 Mike Whiteley, Audit Wales	Michelle Phoenix, Audit Wales

	Standing Items		Purpose	Page	Time
126	Apologies	Chair			
127	Minutes of the last meeting The Chair shall propose that the minutes of the meeting held on 5 October 2020.	Chair		3-12	5 Mins
128	Actions Log	Chair		13-30	15 Mins
	Standing Items				
129	Organisational Update	Chief Executive Officer & Director Finance and Resources	Information	31-36	10 Mins

130	HMIC Update	Chief Superintendent Corporate Services	Information	37-38	5 Mins
131	Internal Audit a. Internal Audit Overview – Management Report (incl. summary of Follow-up Review) b. Internal Audit SICA 2020-21	a Director Finance & Resources / Budget Officer b– TIAA Audit Manager	Assurance	34-49 50-61	10 Mins
132	Risk Update - Risk Process Development & Current Risk Register	Chief Superintendent Corporate Services	Assurance	62-70	10 Mins
	Substantive Items				
133	Treasury Management – FY20-21 - 6 month Update	Head of Finance	Assurance	71-81	15 Mins
134	Value for Money and Annual Audit Report (Management Letter)	Audit Wales		82-87	10 Mins
135	Request for Support on Data Analytics	Audit Wales		88-92	5 Mins
136	Legal Report	Director Finance and Resources	Information	93-105	10 Mins
137	Ethics	Chief Superintendent Corporate Services		106-112	10 Mins
138	Governance Update • Joint Governance Board • Governance Review • Assurance Board	Chief Finance Officer / Head of Corporate Services	Assurance	113-117	10 Mins
139	Work Programme for 2020/21	Director Finance and Resources and Chief Finance Officer	Decision	118-122	5 Mins
140	AOB (Advise the chair ahead of the meeting)				
	DATES OF FUTURE MEETINGS 30 th March 2021 PROV 29 th July 2021 PROV 6 th October 2021 PROV 8 th December 2021				
		TOTAL			2 hours



HEDDLU GOGLEDD CYMRU
Gogledd Cymru diogelach

NORTH WALES POLICE
A safer North Wales

JOINT AUDIT COMMITTEE

05 OCTOBER 2020

PRESENT

JOINT AUDIT COMMITTEE:

Rachel Barber - Chair
John Cunliffe
Dianne Walker
Claire Hodson

FORCE OFFICERS:

Carl Foulkes – Chief Constable
Seb Phillips – Director of Finance & Resources
Guto Edwards - Head of Finance
Helen Williams - Financial Control Accountant
Anne Matthews – Finance & Budgets Officer
James Sutton – Head of Business Intelligence/Chair of Assurance Board
Neil Ackers – Risk and Business Continuity Officer

OFFICE OF THE POLICE AND CRIME COMMISSIONER:

Arfon Jones – 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
Mike Whiteley, Audit Wales
Michelle Phoenix, Audit Wales
Jodie Williams, Audit Wales

APOLOGIES AND DECLARATIONS OF INTEREST

Apologies were received from T/Chief Superintendent Simon Williams.

113. MINUTES AND ACTION LOG

The minutes of the meeting held on 30 July 2020 were agreed as a true record of the meeting when the two following points were amended:

- Temporary Chief Constable Nigel Harrison amended to Temporary Assistant Chief Constable Nigel Harrison.
- Action to be highlighted within agenda item 111.

114. ACTION LOG

Action Log was updated and will be circulated with the minutes. Actions recommended closed and agreed closed were: (91b, 94c, 103a, 103c, 105b, 105c, 107a, 108a, 108b, 108c, 108d, 108e, 109).

115. ORGANISATION UPDATE

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

Office of the Police and Crime Commissioner

Since the report was written the Office of the Police and Crime Commissioner have once again been successful in securing an award from CoPaCC for the openness and transparency of the information provided on their website. This is the fourth year running that this award has been received.

The Commissioner has written to all Local Authorities within North Wales regarding the North Wales Youth Commission as some of the actions lie with them. This is an area of work that North Wales Police cannot tackle alone. We are awaiting replies from them on progress made.

Joint Audit Committee noted their congratulations to the Office of the Police and Crime Commissioner for once again securing the CoPaCC award.

Chair Joint Audit Committee enquired whether details of the Safer Streets funding secured by the Office of the Police and Crime Commissioner would be included next year in the table which appears on page 43 of the accounts. Chief Finance Officer confirmed that they would be included within the accounts.

Joint Audit Committee enquired whether the additional funding received by the Office of the Police and Crime Commissioner could be subject to a deep dive agenda item to enable the Committee to better understand the processes involved.

Officers within the OPCC stated that this would be a timely topic and recommended that the Safer Streets funding should be put forward as the Deep Dive item for the December Joint Audit Committee meeting.

ACTION 115	Chief Finance Officer to include the additional funding received by the Office of the Police and Crime Commissioner as a Deep Dive agenda item in December.
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North Wales Police

Chief Constable updated the Committee on the three main areas of concern at the current time.

Uncertainty – Most uncertain position the police force has faced in years with regard to Covid and funding. Crime is back to pre-Covid levels with the additional need to police Covid. This is placing extra pressure on the service and there is a need to maintain public support.

There has also been a large shift to home/agile working with many members of staff working from home. This gives North Wales Police the opportunity to change their delivery model going forward.

Challenge – Demand is a significant challenge with much more crime being committed on-line. There is a need to change the organisation to reflect this change. Also many more large scale demonstrations have been seen across the country which require a significant policing presence.

Operational Capacity – Many Special Constables who provided invaluable support during the initial Covid outbreak have returned to work/college and are not as available to assist as they were. Whilst the Force is supporting the effort to deal with the pandemic through policing clarity is also needed of the role of the force against that of other agencies.

The Chair thanked both the Police and Crime Commissioner and the Chief Constable for the updates.

116. **STATEMENT OF ACCOUNTS FY 19-20 / ISA260**

Audit Wales Opinion

Joint Audit Committee noted the report provided by Audit Wales which highlights the main findings of the audit and the processes followed.

Audit Wales reported that this document lays out what needs to be reported and thanked the Finance Team for their hard work and cooperation at this difficult time.

The audit has been completed with two significant issues identified which do not affect the unqualified opinion of the accounts.

Significant issues identified were the treatment of Wrexham Town police station lease as an operating lease and not a finance lease. This will be reviewed by the Finance Team during 2020-21. Second significant issue is the financial instruments maturity analysis which is understated by £120,000.

The first drafts of the accounts were completed by 1 June 2020 and Audit Wales completed their work within the new timescales. Audit Wales expect to sign the accounts on 7 October 2020 with electronic signatures and once letters of

representation are received, Audit Wales expect to issue an unqualified audit opinion on both sets of accounts.

Joint Audit Member questioned the difference in leases. Audit Wales stated that with an operating lease the liability and the assets were not held on the balance sheet whereas with a finance lease, these are shown on the balance sheet along with the liability and assets.

Management Response on Exception

Joint Audit Committee noted the report presented which highlighted the actions and decisions taken by North Wales Police and the Office of the Police and Crime Commissioner when producing the Statement of Accounts for 2019-20.

It was stated that the extended deadlines and new ways of working because of the pandemic had impacted on the way the accounts were produced with much of the work being carried out on-line.

It was reported that overall the usable reserves remained unchanged from the draft accounts issued at the end of May.

It was noted that feedback from the Joint Audit Committee had been a feature in the production of the accounts, having a bearing on the Narrative report and the Annual Governance Statements in particular. The Director of Finance & Resources stated that the aim is to be more responsive to these comments in future and it was noted that the journey has started and hopefully this will be carried forward and built upon.

Chief Finance Officer noted that after attending a meeting last week it was noted that land/estate issues are more relevant to the private sector than the public sector and that amendments will be suggested to the auditing standards for the public sector to reflect these changes.

Joint Audit Committee member stated that the Force delivery plan date should state the relevant year and that £19k appeared in the remuneration column for the Chief Constable but with no explanation on Page 26 of the Chief Constable's accounts. It was suggested that going forward notes are added to fully explain expenditure although the Chief Finance Officer clarified that this detail would be disclosed separately on the OPCC website in due course.

JAC Recommendation on Approval of Accounts

It was noted that the accounts had come together with suggested changes from Joint Audit Committee being incorporated but that this had happened within the last month and that further work in future was still to be done. Dianne Walker stated she was hopeful that by June 2021, the financial statements will be a slimmer and more engaging set of accounts which will help highlight the good work being done within both organisations.

Chair thanked all parties for their hard work and commitment from the Director of Finance and Resources and team to carry out Joint Audit Committee's recommendations.

The Reports by the Chief Constable's and the Police and Crime Commissioner's Chief Finance officers were taken as read. A discussion was held regarding the resolutions therein in respect of the annual statements of accounts and annual governance statements of the 2019-20 Statement of Accounts. Following this discussion 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 2020 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.

117. **HMICFRS UPDATES**

HMIC

The Joint Audit Committee noted the update on HMICFRS and Strategic Planning.

It was noted that Chief Inspector David Cust has replaced Chief Inspector Andy Griffiths within the department.

Progress against AFI's has been completed and all comfortable that many actions will be closed when next reviewed with HMICFRS.

After consultation with HMICFRS last week the following inspections have been identified but discussions now taking place as unsure whether Inspectors will come on site for the Rape inspection due to the local lockdown now in place.

Inspections expected to take place imminently are:

PEEL

Rape

Response to Covid

Public Order – will concentrate on major cities

Discussion is still ongoing with HMICFRS on their re-starting their inspections and actions that will need to be taken in Force.

118. **INTERNAL AUDIT**

a. INTERNAL AUDIT OVERVIEW – MANAGEMENT REPORT

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

It was noted that 8 outstanding recommendations remain but five are tied into the National Enabling Programme (NEP).

Two Client Briefing Notes remain open but work has been completed on these. One concerns the ICO and the on-line assessment regarding our compliance with Freedom of Information. On-line assessment has been completed and will be shared with Joint Audit Committee ITC lead member. The second relates to the NAO report relating to Covid-19 which featured on the JAC agenda.

ACTION 118a	Finance and Budgets Officer to share ICO on-line assessment with Joint Audit Committee member (John Cunliffe).
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Two audits have been completed and the final reports shared by Internal Audit with others underway or planned.

Following discussion with Internal Audit, officers are confident that the full audit plan for 2020/21 will be completed.

Joint Audit Committee member questioned whether the new Chair of the Ethics Committee was aware and part of the discussions regarding the NIAO Whistleblowing Guidance CBN. As Chair not yet in post the CBN would be shared with them at earliest opportunity.

ACTION 118b	Finance and Budgets Officer to share NIAO Whistleblowing Guidance CBN with new Chair of Ethics Committee.
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Joint Audit Member noted that no dates appeared in the Revised Due Date column under Appendix 1 for outstanding internal audit recommendations. Director of Finance and Resources to take away and look at clarifying dates and update table with revised dates.

ACTION 118c	Director of Finance and Resources to update table under Appendix 1 with Revised Due Dates for outstanding internal audit recommendations.
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b. INTERNAL AUDIT SICA 2020-21

This report summarises and provides an update on progress against the 2020-21 Annual Plan.

It was noted that two internal audits had been completed, reports shared with officers and an updated timetable for the remaining audits agreed.

The contract management audit will not now take place this financial year and discussion ongoing with management regarding the allocation of the additional unused days that this has created.

Joint Audit Member questioned the cyber security recommendations and whether they needed to examine further as concern regarding the timescales to implement some of the solutions and whether they are at enough pace to allow for adequate solutions to be put in place.

Director of Finance reported that this could be a subject for a deep dive agenda item as this could provide the necessary assurance on this issue. On discussion it was agreed that the DFR would take the question around existing mitigation and timescales away and report back to Joint Audit Committee, but reassured Joint Audit Members that existing measures are in place.

ACTION 118d	Director of Finance and Resources to update Joint Audit Committee on measures in place to mitigate against cyber security threats and whether there is any potential for shortening timescales on implementation.
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Chair Joint Audit Committee noted that a number of deep dives had been mentioned and left action with Officers to bring to the Joint Audit Committee when appropriate.

ACTION 118e	Chief Finance Officer/Director of Finance and Resources to bring highlighted Deep Dives to Joint Audit Committee as appropriate – update Work Programme to reflect.
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119. RISK UPDATE

Joint Audit Committee noted the update provided within the Risk Update paper as at 6 September 2020.

Joint Audit members stated that the Committee usually has sight of the full risk register but have not received an updated version ahead of the meeting. It was noted that without this document it is difficult to obtain assurance that all is as stated.

ACTION 119a	Risk and Business Continuity Officer to provide Joint Audit Committee with an updated copy of the full Risk Register ahead of every Joint Audit Committee meeting.
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Joint Audit Committee members noted that decisions made around the risk need to be reflected within the document presented to Joint Audit Committee and more of a narrative needs to be included for each risk providing further assurance. Members would be happy to provide feedback.

JAC Risk Lead, Head of Business Intelligence and Risk and Business Continuity Officer to liaise and update document to ensure more assurance is received from document in future.

ACTION 119b	JAC Risk Lead, Head of Business Intelligence and Risk and
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	Business Continuity Officer liaise to ensure more assurance is received from document in future.
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Joint Audit member stated that there was a discrepancy with the figures shown in Table 1 and error with wording within Table 2. It was also noted that no explanation was given regarding Table 3 as many risks were identified but no explanation given.

ACTION 119c	Risk and Business Continuity Officer to update tables 1 and 2 and provide further explanation regarding Table 3 by next meeting.
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Police and Crime Commissioner left the meeting.

120. **VALUE FOR MONEY UPDATE**

Director of Finance and Resources and Head of Finance provided Joint Audit Committee with an update of the Value for Money Framework and the processes followed by staff to ensure value for money is achieved across the whole organisation.

Joint Audit members thanked staff for their input and noted the useful information contained within the presentation. It was suggested that it would have been useful to receive this presentation at the start of a committee's tenure.

Joint Audit Committee members noted that it would be useful if value for money could be built into the papers received as this forms part of the Committee's Terms of Reference. Members would like to further reflect on value for money in future meetings.

Director of Finance and Resources to investigate how value for money could be better reflected in future papers and if it could be broken down into how savings are made. Future assurance could also be given by Internal Audit and this to be built into their work programme for 2021-22.

ACTION 120	Director of Finance and Resources to investigate how value for money could be better reflected in future papers to Joint Audit Committee and to consider building into the Internal Audit work programme for 2021-22.
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121. **NATIONAL AUDIT OFFICE RESPONSE**

Joint Audit Committee members noted the assurance given in the paper that the Financial Reporting & Management during Covid 19 NAO Scrutiny questions had been fully looked into and further steps identified in some cases. It was noted that this had been a useful exercise as there have been areas to carefully consider in each section of the report.

Joint Audit Members thanked officers for the assurance provided within the paper.

122. **ASSURANCE BOARD**

Joint Audit Members noted the update provided within the report on the work of the Assurance Board which highlights the business dealt with by the board at its regular meetings.

At the September meeting 3 new actions were identified and 7 decisions made. 13 actions were closed which reflects the work/action being undertaken within the organisation.

123. **GOVERNANCE UPDATE**

Joint Governance Board

Joint Audit Committee noted that the new Governance Board is progressing well and that the meetings are more productive.

Joint Audit Member noted that she was much happier with the way the meetings were held but concerned that the report does not reflect the good work being undertaken and suggested that the Corporate Communications Team be approached to prepare messages within the content of the narrative to the Statement of Accounts and proof read the document prepared.

Joint Audit Member also noted that Director of Finance had undertaken some work which could have been delegated to staff/officers within the organisation.

It was noted that at the next meeting it should reflect what Governance Structures are already in place and what action is needed.

ACTION 123a	Chief Finance Officer to place on the agenda of the next Governance Board an item reflecting what Governance Structures are already in place within the Force.
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Joint Audit member also questioned whether the Joint Governance Board would state that they were happy with the Management response to the CBN's. It was noted that the Joint Governance Board did not believe this to be the case and wanted to note this issue.

Chief Finance Officer noted that she believed that the Board was content with the Management response to the CBN's but the Director of Finance and Resources stated that the wording should be nuanced and appropriately reflected in the JGB minutes.

ACTION 123b	Chief Finance Officer & Director of Finance & Resources to ensure that the minutes of the JGB reflect an appropriate wording in relation to the CBNs presented to the most recently held Joint Governance Board.
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Governance Review

Joint Audit Committee noted the update on progress in implementing the recommendations arising from the Governance Review.

It was noted that the scheme of delegation was nearing completion and the next step would be to obtain Chief Officer approval before being formally adopted by the Chief Constable.

It was decided that Joint Audit Committee should receive an annual top level assurance report to monitor progress on the Governance Review to ensure progress is still being made against the recommendations highlighted within.

ACTION 123c	Chief Finance Officer to incorporate an annual Governance Review Progress Report into the Joint Audit Committee work programme.
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124. WORK PROGRAMME FOR 2020/21

Joint Audit Committee noted that the Work Programme has not been updated to reflect changes agreed at last two meetings (JAC Evaluation and JAC Annual Report to be presented at March 2021 meeting).

It was requested that an additional work programme be produced for the closed session of Joint Audit Committee which should include the Legal Report for the December meeting and six monthly thereafter.

ACTION 124	Chief Finance Officer to update the Work Programme to reflect changes from last two meetings and produce a work programme for the Closed Session of Joint Audit Committee.
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125. ANY OTHER BUSINESS

ICT Sourcing – the Police and Crime Commissioner has requested that Joint Audit Committee scrutinise the ICT Sourcing document when completed.

Chair Joint Audit Committee noted that she was happy for this item to be included within the work programme.

ACTION 125a	Chief Finance Officer to include ICT Resourcing item within the work programme.
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Joint Audit Committee lead asked that he becomes involved at an early stage. Director Finance and Resources to invite all members to an early meeting to discuss Governance Review.

ACTION 125b	Director of Finance and Resources to convene meeting with Joint Audit Committee members to discuss the ICT Sourcing contract.
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The next Joint Audit Committee meeting will be held on 10 December 2020 at 9.30am either in Conference Room 1, FHQ Colwyn Bay or by Microsoft Teams.

JOINT AUDIT COMMITTEE
ACTION LOG from 30.07.2020

	Open
	Closed
	Deferred

New/Open actions from March 2020

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
	56a	Ethics - Police and Crime Commissioner to raise with Victim's Commissioner the dilemma received regarding individuals who are sexually assaulted.	On hold	Police and Crime Commissioner	Chief Finance Officer has liaised with Chief Information Officer who states that this is a national issue which is being considered currently by the ICO, CPS and courts and recommends that the PCC does not involve himself in the matter at the moment. 09/03/2020 – as national issue, the PCC getting involved may hinder progress. Put on hold until the national picture becomes clearer. 02/06/2020 - On hold. Awaiting national progress. 19/10/2020 – Confirm no further update received.	
	56b	Ethics – Chief Information Officer to produce simple flow diagram of the ethical dilemma process and how it is embedded within North Wales Police Governance	Immediate	Governance and Policy Officer	28/11/2019 Governance and Policy Officer to pick-up and take forward. 04/03/2020 T/Chief Supt Corporate Services will produce a simple flow diagram re Ethical Dilemmas and share at next JAC meeting. (This diagram may be subject to change once the new Independent Chair is appointed – see action 56c). 09/09/2020 – draft copy to be shared with Joint Audit Committee and then presented to the Ethics Committee for finalisation and then re-shared with Joint Audit Committee.	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
					<p>02/06/2020 – Ethical Dilemmas Process Flow Chart shared with Joint Audit Committee.</p> <p>30/07/2020 – Flow chart very simplistic and does not explain fully how process works. T/Chief Supt Corporate Services reported Ethics Committee currently being refreshed with new Chair and membership. This will be further explored when new Chair in place.</p> <p>23/09/2020 – The simple flow chart has been shared and represents our current flow as to how ethical dilemmas find their way to the Ethics Committee and how they are resolved and fed back into the Senior Leadership Team to inform practice/process. The flow will be reviewed when the Independent Chair commences her work. There has been progress with the Independent Chair passing Vetting week commencing 21/09/20. Request for action to be pending to allow for the Independent Chair to start and to review processes. T/Ch Supt Simon Williams.</p>	
	59h	<p>Internal Audit - Director of Finance and Resources to update Joint Audit Committee of ICO visit to North Wales Police to review their action plan in relation to GDPR.</p>	When ICO visit completed	Director of Finance and Resources	<p>The review took place in preparation for the introduction of GDPR and the actions are completed.</p> <p>28/11/2019 Re-open. Director of Finance and Resources will look into this report back to Joint Audit Committee.</p> <p>04/03/2020 DFR has met with the Head of Information Security & Compliance to discuss progress in relation to the TIAA audit recommendations stemming from the GDPR audit. The actions have been tracked via the Internal Audit standing item to date (the wording of the action requires amendment as the last ICO visit review was in Jan 2013). Two actions remain open in relation to audit GDPR Compliance Audit PO No FN27625. An updated position is provided below: 237156 Discharging the action will be dependent on the delivery of the National Enablement Programme (currently a Project within the Digital Transformation Programme of work) with a full deployment to commence post completion of a Business User Pilot and expected to take a</p>	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
					<p>further 12 months.</p> <p>237154 IS&C have progressed the necessary works producing a Data Protection Policy and discharging the action is dependent on the Policy officer ratifying the document produced.</p> <p>The proposal is to close this action on the action log and track progress via the Internal Audit Standing agenda item.</p> <p>09/03/2020</p> <p>DFR to consider whether IS&C team contact the ICO to explore possible avenues for assurance of GDPR compliance.</p> <p>02/06/2020 – Meeting with CIO and Head of Information Standards and Compliance scheduled post March JAC but cancelled due to Covid. Meeting to finalise view on proposed next steps for June.</p> <p>30/07/2020</p> <p>The above meetings have been undertaken and the prospect of inviting the ICO for audit discussed. The consensus of the management team was that whilst we recognise this is a critical area, we feel we are better focussed progressing our own programme of work around compliance rather than consuming resource associated with an ICO audit being undertaken at our request. JAC asked when all work complete that ICO are invited as will give different insight into gaps which exist.</p> <p>17/09/20</p> <p>DFR & JAC Risk lead discussed & agreed to use TIAA audit for Sept as an initial route for providing further assurance. TOR developed with audit lead as a result and findings will then be used to determine appropriate next steps.</p> <p>19/10/2020</p> <p>TIAA have completed an internal audit review of issues. Director of Finance and Resources will update Joint Audit Committee member when review report received.</p> <p>20/11/2020</p> <p>ICO FOI Healthcheck completed and shared with JAC Risk lead following Oct20 JAC meeting. Draft report received with points of clarity & accuracy currently being queried.</p>	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
	102b	Internal Audit Overview - Director of Finance and Resources to respond to JAC relating to the reason for due date revisions and how a GDPR issue relating to sensitive data stored on network drives would be addressed through NEP and migration to a Cloud environment	Immediate	Director of Finance and Resources	<p>17/09/20</p> <p>DFR emailed JAC Risk Lead 31/07/20 with reasons for due date revisions highlighted. The need to ensure due dates on TIAA recommendations are scrutinised as being reasonable & realistic prior to agreement has been stressed to those undertaking audits by the DFR and HoF.</p> <p>DFR emailed JAC Risk Lead 31/07/20 re. GDPR: <i>“To mitigate the GDPR issue referred to ultimately any solution would need to ensure that only GDPR compliant data is migrated to the Cloud (where it then needs managing in a structured way) and also that any data that isn’t migrated needs appropriately managing...”</i></p> <p><i>Resourcing the work stream either via the NEP project team or via a separate work stream is currently being discussed with a business case in progress.”</i></p> <p><i>05.10.2020 – JAC member questioned how moving non-compliant data onto the cloud would assist in mitigating risk and leave the Force with non-compliant data on drive. Director of Finance and Resources stated compliance data being migrated onto the Cloud but also looking at legacy issues to look into issue further. Director Finance and Resources to look into matter further and update Joint Audit Committee.</i></p> <p><i>20.11.2020 – Further update regarding approach emailed by DFR to JAC Risk lead.</i></p>	
	103d	Risk Update - Risk and Business Continuity Lead to revise the report format in consultation with Risk Lead	Immediate	Risk and Business Continuity Lead	<p>02/09/20 Update from Risk and BC Lead.</p> <p>Risk and Business Continuity Lead discussed this matter with Risk Lead JC on 28/08/20. It was agreed that the Risk Highlight Report continue to be submitted in two sections, i.e. Open Session and Closed Session. The Open Session will continue to document all Risks on the Force Risk Register or COVID19 Risk Register that have not been negated. The Closed Session Report will only report Risks by exception, i.e. New Risks, Closed Risks, Risk Changes etc.</p>	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
					<p>which will reduce the size of the overall Risk Highlight report.</p> <p>19/10/2020 – Chief Super Corporate Services will take this forward with James and Neil.</p> <p>12/11/20 – Feedback received from Rachel Barber and John Cunliffe which has been incorporated into the risk report for the JAC meeting 10/12/20</p>	
	105a	Assurance Board - Head of Business Intelligence to bring schedule of Table Top testing to next Joint Audit Committee meeting.	October meeting	Head of Business Intelligence	<p>We recognise this is an important aspect of our assurance work, and will be seeking to focus on it in meaningful sense once there is capacity to do so having dealt with the pressing BC issues of learning the lessons from COVID. Processes are in place with business continuity single points of contact for ongoing table top exercises, and annual Force level exercise, but there is not currently a formal/detailed schedule in place.</p> <p>A full testing schedule will form part of our response but we need to give it proper consideration before providing an update to Joint Audit Committee. I will aim for a fuller update at the next Committee meeting detailing current and planned testing schedules.</p> <p>05.10.2020 - Unprecedented year and many have been tested in real time. Another review at the beginning of next year. Fuller update to be provided at December 2020 meeting.</p> <p>12/11/20 There are two business continuity tests scheduled since the last JAC meeting.</p> <ul style="list-style-type: none"> • 10/11/20 North Wales Local Resilience Forum Cyber Exercise – postponed due to technical difficulties, to be rearranged late November/early December 2020 • 17/12/20 – EU Exit business continuity exercise. An updated version of the EU Exit exercise previously run on 09/10/20 • A business continuity options paper has been prepared for the Covid 19 Recovery tactical group 13/10/20 to consider the extension of bespoke business continuity plans to all areas including low risk areas. This will inform the scale of the business continuity work to be undertaken. It will also inform the testing schedule for 	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
					2021 which will be produced as part of the work. In light of capacity issues within the assurance team, an additional temporary member of staff soon to be available from Operational Planning has been agreed to assist on a temporary basis with business continuity work.	
	110	Joint Audit Committee Annual Report - Chief Finance Officer asked to reflect areas that require more assurance within the Annual Work Programme.	Immediate	Chief Finance Officer	Value for Money was identified as a key area where JAC require more assurance and this is on the Work Programme. The Work Programme is now presented on a rolling basis at each JAC meeting, making it possible to add in areas as they are identified. Recommend action closed.	
	111	Work Programme for 2020/21 - Chief Finance Officer to update the Work Programme with suggested amendments/additions – JAC Evaluation and JAC Annual Report on March 2021 meeting and Force Management Statement moved from December 2020 to March 2021.	By December meeting	Chief Finance Officer	The work programme has been updated as agreed. The work programme is now a regular item on JAC the JAC agenda, giving JAC members and staff the opportunity to agree amendments and additions as needed. Recommend action closed.	
	115	Organisation Update – OPCC - Chief Finance Officer to include the additional funding received by the Office of the Police and Crime Commissioner as a Deep Dive agenda item in December.	By December meeting	Chief Finance Officer	This item is to be examined at the meeting to be held on 30 March 2021.	
	118a	Internal Audit - Finance and Budgets Officer to share results of the ICO on-line assessment with Joint Audit Committee member (John Cunliffe).	Immediate	Finance and Budgets Officer	Assessment received and will be shared with JAC members. 10/11/2020 – Reports generated following completion of the ICO toolkit received from IS&C. Shared with JAC members 10/11/2020. Recommend action closed.	
	118b	Internal Audit - Finance and Budgets Officer to share NIAO Whistleblowing Guidance CBN	When Chair of Ethics Committee	Finance and Budgets Officer	F&B Officer will share the Whistleblowing Guidance CBN when Chair is in post, as at 04/11/2020 no-one is in post. 10/11/2020 – The CBN and copy of the completed checklist	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		with new Chair of Ethics Committee.	in post		was passed to the acting Chair of the Ethics Committee and the PA. Recommend action closed.	
	118c	Internal Audit - Director of Finance and Resources to update table under Appendix 1 with Revised Due Dates for outstanding internal audit recommendations.	By December meeting	Director of Finance and Resources	Make sure up-to-date before next meeting. 20/11/20 – Overdue dates updated as at 13/11/20 and reflected in IA report. Recommend action closed.	
	118d	Internal Audit - Director of Finance and Resources to update Joint Audit Committee on measures in place to mitigate against cyber security threats and whether there is any potential for shortening timescales on implementation	Ahead of December Meeting	Director of Finance and Resources	Meetings taking place to provide update to Joint Audit Committee before next meeting.	
	118e	Internal Audit - Chief Finance Officer/Director of Finance and Resources to bring highlighted Deep Dives to Joint Audit Committee as appropriate – update Work Programme to reflect.	By December meeting	Chief Finance Officer/Director of Finance and Resources	Work Programme has now been updated to reflect future Deep Dive issues. Recommend action closed.	
	119a	Risk Update - Risk and Business Continuity Officer to provide Joint Audit Committee with an updated copy of the full Risk Register ahead of every Joint Audit Committee meeting.	Ahead of December Meeting	Risk & Business Continuity Officer	12/11/20 The Risk detail documents for every risk and the risk register have been updated on the shared drive and will be updated on a monthly basis from now on. Recommend action closed.	
	119b	Risk Update - JAC Risk Lead, Head of Business Intelligence and Risk and Business Continuity Officer liaise to ensure more assurance is received from	Ahead of December meeting	JAC Risk Lead, Head of Business Intelligence & Risk & Business Continuity	Meeting to be organised before each Joint Audit Committee to ensure further assurance is received.	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		document in future.		Officer		
	119c	Risk Update - Risk and Business Continuity Officer to update tables 1 and 2 and provide further explanation regarding Table 3 by next meeting.	December Meeting	Risk & Business Continuity Officer	12/11/20 More explanation included in the risk report for the JAC 10/12/20	
	120	Value for Money Update - Director of Finance and Resources to investigate how value for money could be better reflected in future papers to Joint Audit Committee and to consider building into the Internal Audit work programme for 2021-22.	Immediate	Director of Finance and Resources	Update Work Programme to provide assurance that Value for Money is being considered and further specific items on agenda in the future.	
	123a	Governance Board - Chief Finance Officer to place on the agenda of the next Governance Board an item reflecting what Governance Structures are already in place within the Force.	Next Joint Governance Board Meeting	Chief Finance Officer	Agenda item has been placed on the Governance Board agenda. Recommend action closed.	
	123b	Governance Board - Chief Finance Officer & Director of Finance & Resources to ensure that the minutes of the JGB reflect an appropriate wording in relation to the CBNs presented to the most recently held Joint Governance Board.	After next Joint Governance Board Meeting	Chief Finance Officer and Director of Finance and Resources	20/11/20 Minutes reviewed by DFR and wording revised and agreed with CFO. Recommend action closed.	
	123c	Governance Review - Chief Finance Officer to incorporate an annual Governance Review Progress Report into the Joint Audit Committee work programme.	Before December meeting	Chief Finance Officer	On agenda. Recommend action closed.	
	124	Work Programme - Chief Finance	Before	Chief Finance Officer	Chief Finance Officer to develop work programme for	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		Officer to update the Work Programme to reflect changes from last two meetings and produce a work programme for the Closed Session of Joint Audit Committee.	December meeting	Officer	Closed session.	
	125a	AOB – ICT Sourcing - Chief Finance Officer to include ICT Resourcing item within the work programme.	Before December meeting	Chief Finance Officer	20/11/20 – On agenda for risk deep dive and reflecting in work programme. Recommend action closed.	
	125b	AOB – ICT Sourcing - Director of Finance and Resources to convene meeting with Joint Audit Committee members to discuss the ICT Sourcing contract.	As soon as possible	Director Finance and Resources	20/11/20 – Meeting arranged for 26/11/20. Recommend action closed.	

Closed actions since last meeting – Archived March 2020 - available on request

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
	22a	AOB – GDPR – Chief Executive Officer to look into the sharing of information between North Wales Police and the Office of the Police and Crime Commissioner under the new GDPR.	Immediate	CEO	Information Sharing Agreement required between the Office of the Police and Crime Commissioner and North Wales Police. Head of Information Standards & Compliance was working on this. ISA/MOU is being drafted for the sharing of information between OPCC and NWP. It is proposed to have one document to complement the Policing Protocol. CEO does not believe that this is needed as sharing of information is covered by the Policing Protocol and legislation that covered the work of the Commissioner but Work is still progressing between both organisations. This work is being progressed. 09/10/2019 – Head of Information Standards and Compliance is still liaising with other Forces to see what needs/has to be done but the Policing	Closed

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
					<p>Protocol covers the transfer of information between OPCC's and Forces.</p> <p>04/03/2020 - The first draft of the MOU has been received, observations and requests for amendments have been made. The CEO will liaise with the Force's Chief Information Officer in order to finalise this document.</p> <p>09/03/2020 – Hope to finalise document by the end of March.</p> <p>02/06/2020 – Awaiting final document which has been requested by the end of June. Will be circulated to JAC members when finalised.</p> <p>07/07/2020 Shared with JAC members.</p> <p>30/07/2020 JAC member asked if paper reviewed that paper records are included as also covered in GDPR. Recommend action closed.</p> <p>30/07/2020 When paper reviewed in future to include paper as well as digital records.</p>	
	42	Wales Audit Office – Fraud Enquiry Letters – In future, Chief Finance Officer to provide previous year's response to the Fraud Enquiry Letters for both years side by side in a single document in order for the Joint Audit Committee to be able to compare both more easily.	July 2020	CFO	<p>Ongoing.</p> <p>08/06/2020 Document currently being produced and will be presented to the meeting. As requested both years information will be provided in the same document to aid comparison.</p> <p>30/07/2020 – On agenda. Action Closed</p>	Closed
	59b	Internal Audit - Internal Audit to check what action has been taken against the Data Assurance recommendation.	March meeting	Internal Manager Audit	<p>One of the recommendations was closed off at 2018/19 Follow-up and the remaining two will be assessed during the 2019/20 Follow-up.</p> <p>28/11/2019 Internal Audit follow-up audits will happen in Feb/March and will report on findings.</p> <p>04/03/2020 Internal audit follow-up review being undertaken w/c 2 March.</p> <p>03/06/2020 – Reviewed as part of the 2019/20 follow-up and are complete. Recommend action closed.</p>	Closed
	79b	Internal Audit Report and Progress	By March	Internal Manager Audit	Sent the SICA for translation prior to receiving	Closed

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		Report - Internal Audit to place an extra column for comments within the Client Briefing Notes table.	meeting	Manager	actions log. Future reports to be amended accordingly and will liaise with Management for responses. 02/06/2020 – Internal schedule prepared with extra column for Management response. Being reported internally via F&R SMT - included as part of the papers under item 102 of the July meeting. Recommend action closed	
	89	Action Log - Action Log to be updated in advance of meeting to enable actions to be reviewed by exception at Joint Audit Committee	By July meeting	Personal Assistant	02/06/2020 - Period follow-up on actions to be co-ordinated by secretariat. Recommend action closed.	Closed
	91a	Internal Audit – Finance and Budgets Officer to produce a cover report/executive summary for next Joint Audit Committee meeting	By July Meeting	Finance and Budgets Officer	02/06/2020 - Internal Control section added to F&R SMT as standing agenda item. Summary reports will provide a much abbreviated output for JAC. The intention is to continue to share the core working paper documentation with JAC members prior to the meeting itself. New format of papers provided under item 102 of the July meeting. Recommend action closed.	Closed
	91c	Internal Audit – Chair to note within the Joint Audit Committee Annual Report that the PCC and Chief Constable were content that not all days allocated to Internal Audit were used and to be carried to next financial year	By July Meeting	Chair of Joint Audit Committee	Statement included within the Annual Report for 2019/20. Recommend action closed	Closed
	91d	Internal Audit – Internal Audit to add extra column to table in Annex 2 of the Client Briefing Note to take account of Management Action.	Immediate	Internal Audit- Now Treasury & Budgets Officer	02/06/2020 – CBNs are now monitored via F&R SMT and will be reported to JAC under the Internal control section of the agenda (links to action 91a). Recommend action closed.	Closed
	93a	Risk Management Process – T/Chief Superintendent to share Risk and Business Continuity job description with Joint Audit Committee	Immediate	T/Chief Superintendent Corporate Services	Document shared with JAC 10/03/2020. Recommend action closed.	Closed
	93b	Risk Management Process – Chair of the Assurance Board to ensure the ongoing monitoring of Risk Management Framework and delivery of next steps will	Immediate	Chair of Assurance Board	02/06/2020 – Delivery of NWP’s progression in relation to the risk agenda (inc risk assurance mapping, risk appetite, risk categorisation) is being led by the newly appointed risk lead, overseen by	Closed

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		be progressed via the Assurance Board			the Assurance Board. Assurance Board Chair to present at the July meeting. Recommend action closed.	
	93c	Risk Management Process - Chair of the Assurance Board to ensure that progress updates in relation to delivery of next steps regarding the Risk Management Framework are reported to Joint Audit Committee on an ongoing basis.	Immediate	Chair of Assurance Board	02/06/2020 – The Risk Lead will provide a Risk Report covering the progression of the delivery of the next steps in respect of the Risk Management Framework for scrutiny at JAC. This is a standing agenda item. The Chair of the Assurance Board will present at the July meeting. Recommend action closed.	Closed
	93d	Risk Management Process - Director of Finance and Resources to ask Chair of the Assurance Board to prepare paper and attend July Joint Audit Committee meeting.	By July meeting	Director of Finance and Resources	02/06/2020 Chair of Assurance Board invited to attend and prepare paper. Assurance Board Role and Remit paper and agenda item prepared for July agenda. Recommend action closed.	Closed
	94a	Annual Governance Statement - Terms of Reference for the Joint Governance Board to be re-visited to ensure distinct differences between Governance and Assurance Boards.	Immediate	Chief Finance Officer	02/06/2020 - The ToR were discussed and reviewed at the Joint Governance Board meeting in March 2020. The ToR were updated to reflect the changes agreed at the meeting. (The latest version circulated to JAC 03/06/2020). Meeting's purpose and objectives are different and distinctive to those of the Assurance Board. The ToR of the Assurance Board (circulated 03/06/2020). (Please note, ToR of the Assurance Board were prepared using the old format and will be formatted in accordance with the new corporate template in due course.) Recommend action closed.	Closed
	94b	Annual Governance Statement - T/Chief Superintendent Corporate Services to draft Governance job description and share with Joint Audit Committee members. Place on June off-line meeting agenda.	June	T/Chief Superintendent Corporate Services	02/06/2020 – Job Description for the Governance Post is currently being re-evaluated and therefore has recently been re-visited. The latest Job description shared with JAC members 08/06/2020. Recommend action closed.	Closed
	94d	Annual Governance Statement - Governance to be tracked/scrutinised	By July meeting	T/Chief Superintendent	02/06/2020 – ToR for Joint Governance Board to incorporate this aspect of the board. Governance	Closed

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		at the Joint Governance Board meetings with executive summary produced for Joint Audit Committee meetings.		Corporate Services	update on July 2020 agenda. Recommend action closed.	
	96	Internal Audit Plan - Chief Finance Officer to ensure that the 14 days Internal Audit days not used this Financial Year are carried over to 2020-2021.	Immediate	Chief Finance Officer	TIAA has billed for days worked in 2019/20. Remaining budget has been brought forward to the new financial year. Recommend action closed.	Closed
	97	Wales Audit Office Annual Plan - Head of Finance and Joint Audit Member to discuss format of June Meeting	Before June meeting	Head of Finance and JAC member	02/06/2020 – discussed and draft agenda circulated. Recommend action closed.	Closed
	99a	AOB – Joint Audit Committee Annual Report - Head of Finance to provide Joint Audit Committee overview of how Value for Money is measured within North Wales Police.	Immediate	Head of Finance	02/06/2020 – Proposed item and presentation for July 2020 agenda. Recommend July 2020 agenda item. Recommend action closed.	Closed
	99b	AOB – Forward Work Plan - Chief Finance Officer to ensure that a Forward Work plan is included as an agenda item at future Joint Audit Committee meetings to enable Committee members to review and capture future activities.	Immediate	Chief Finance Officer	On agenda as substantive item. Recommend action closed.	Closed
	99c	AOB – Joint Governance Board - Personal Assistant to update Office of the Police and Crime Commissioner website to reflect the re-establishment of the Joint Governance Board.	Immediate	Personal Assistant	Website updated to reflect re-establishment of Joint Governance Board. Recommend action closed.	Closed
	91b	Internal Audit - Force Management Statements to be placed on the Joint Governance board and the July Joint Audit Committee Agenda	By July Meeting	Chief Finance Officer	02/06/2020 There is no obligation to produce the Force management Statement during 2020/21. The document however will be reviewed and produced for the March 2021 meeting. 30/07/2020 CFO to update work programme to reflect change from December 2020 to March 2021.	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
					Recommend action closed.	
	94c	Annual Governance Statement - Interim Governance Manager to share draft Scheme of Delegation with Joint Audit Committee for their comments.	Immediate	Interim Governance Manager / Joint Audit Committee members	03/06/2020 - draft Chief Constable's Scheme of Delegation has been previously shared 03/06/2020. Draft is currently subject to review by the Force's Chief Officers. 26/06/2020 – Draft shared with Joint Audit Committee. 30/07/2020 – JAC members to send comments on document by end August and paper to be presented with final Accounts in October meeting. 11/08/2020 – Further e-mail send to JAC members asking for comments by the end of August. Recommend action closed.	
	102a	Internal Audit Overview - Director of Finance and Resources / Finance and Budgets Officer to include the requested details for the current report and for subsequent Joint Audit Committee meetings.	For October meeting	Director of Finance and Resources and Finance and Budgets Officer	Report was re-written complete with changes and submitted to JAC members on 31/07/2020. This amended report will be issued moving forward. Recommend this action be closed	
	103a	Risk Update – Personal Assistant to place Command and Control Upgrade deep dive on next meeting agenda and Risk and Business Continuity Lead to ensure appropriate officer attends to present to Joint Audit Committee	October meeting	Personal Assistant and Risk and Business Continuity Lead	Command and Control Upgrade placed on agenda 02/09/20 Email forwarded to PA for invite to be sent to Chief Superintendent Neill Anderson and Keith Williams for attendance by one or both at JAC 5 th October for presenting to members the 'Deep Dive' of Risk 54 – Command and Control Upgrade. 03/09/2020 Invite sent to both. Recommend Action Closed.	
	103b	Risk Update – T/Chief Superintendent Corporate Services to clarify wording regarding closure of risks and report back to Joint Audit Committee.	Immediate	T/Chief Superintendent Corporate Services	02/09/20 Risk Closure is covered in our Force Risk Management and Assurance Mapping Framework Document as follows: Closing risks <i>When a risk has been managed to an acceptable level (usually the target level) or the circumstances around it have improved it may be closed. Assurance (evidence to support the closure) must be articulated in the risk template. The SMT or</i>	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
					<p><i>Project Board that own the risk must approve closure and allocate an action to the Risk Lead to ensure the risk is updated and removed from the Force Risk Register.</i></p> <p><i>Where there are open risks at the point that a project closes then the risks will be referred to the relevant SMT for decisions on the future management of that/those risk(s).</i></p> <p><i>Closed risks will not be reopened. If a risk becomes active again it must be recorded as a new risk.</i></p> <p>The Risk and Business Continuity Lead has reviewed this entry and our current Risk Closure process and will ensure Risks being requested for closure have a rationale from the Risk Owner/Lead that clearly meets one or more of the following:</p> <ul style="list-style-type: none"> • The Risk is tolerated • The Risk is Treated, i.e. Controls have been effective and Risk target Level has been reached • The Risk is transferred • The Risk is terminated <p>The Assurance Mapping Framework Document will be updated accordingly.</p> <p>05.10.2020 – Clarification sought by Chair that 4 above categories will be actioned if action closed. Head Business Intelligence confirmed that this would be the case as all integrated into the Risk Progress.</p> <p>Recommend action closed.</p>	
	103c	Risk Update – Risk and Business Continuity Lead to update the original and revised timelines could be included within the update to next	Immediate	Risk and Business Continuity Lead	02/09/20 Update from Risk and BC Lead. This action update is covered in the JAC Risk Highlight Report. Recommend action closed.	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		Joint Audit Committee.				
	105b	Assurance Board - Head of Business Intelligence to share actions and decision log of the Assurance Board and first draft of the reviewed Terms of Reference with Joint Audit Committee members.	As soon as available	Head of Business Intelligence	Provided separately. The last meeting of the Assurance Board was the July 2020 meeting, as the August 2020 meeting was cancelled due to lack of attendees. The actions and decisions, and terms of reference have been provided. The next meeting is 09/09/20 at which the revised terms of reference also provided will be tabled. 04.09.2020 – Terms of Reference and Decision Log shared with members. Recommend action closed.	
	105c	Assurance Board – Head of Business Intelligence to bring update paper to October Joint Audit Committee.	October meeting	Head of Business Intelligence	On agenda. Recommend action closed.	
	107a	Covid-19 recovery plan - T/ACC to provide clarification on how North Wales Police preparing for second wave of pandemic.	Immediate	T/Assistant Chief Constable	North Wales Police specifically as opposed to the wider LRF continue to have a command Strategic/Tactical/ Operational command structure identified around COVID response. The main risk to NWP is capacity if abstractions rates start to rise. As such we are seeking to get ahead of abstractions by making our buildings Covid secure, maximising social distancing, stockpiling of PPE, and vaccination programme against FLU. We still have over 800 of our staff able to and mostly working from home. We have plans across critical functions such as Control Room, Local Policing Service and Firearms that allow for a withdrawal of service and also utilising support cross functional. We can maintain recruiting by online learning which has been developed. We have detailed management data which given insight into any abstraction. Recommend action closed.	
	108a	Statement of Accounts - Director of Finance and Resources/Chief Finance Officer/Head of Finance to meet to ensure all Joint Audit Committee	Immediate	Director of Finance and Resources / Chief Finance Officer / Head of Finance	17/09/20 – Meetings held between DFR, HoF & CFO to develop approach around Intro, Narrative Report & AGS to develop timescales for issuing a revised draft set of accounts. Frequency of updates to Finance lead increased and updated	

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE	OUTCOME
		member comments are considered for action and to report back to the Joint Audit Committee members to discuss.			approach reported to JGB on 07/09/20, draft accounts circulated on 10/09/20 and subsequently reviewed on 15/09/20 with Finance lead & JAC chair. Further feedback on 15 th to be reflected in Statement of Accounts circulated to Oct JAC. Recommend action closed.	
	108b	Statement of Accounts - Director of Finance and Resources/Head of Finance to take away to look to incorporate comments into paper.	Immediate	Director of Finance and Resources/Head of Finance	17/09/20 Financial control accountant progressing response with intention to circulate ahead of Oct JAC. Recommend action closed.	
	108c	Statement of Accounts - Director of Finance and Resources/Head of Finance to investigate whether limits set on when short term borrowing is required and report back to Joint Audit Committee.	Immediate	Director of Finance and Resources/Head of Finance	17/09/20 Financial control accountant progressing response with intention to circulate ahead of Oct JAC. Recommend action closed.	
	108d	Statement of Accounts - All to ensure that papers are distributed to Joint Audit Committee members a week prior to meeting.	October meeting	All	17/09/20 DFR update: Changes have continued to feature at a late stage in the process but the Finance team are trying to maximise the window that the JAC members have to review the relevant information. Recommend action closed.	
	108e	Statement of Accounts - Personal Assistant to place updates on National Audit Office Response on the agenda for next the Joint Audit Committee meeting in October.	October meeting	Personal Assistant	National Audit Office response placed on October Joint Audit Committee agenda. Recommend action closed.	
	109	Governance Review - T/Chief Superintendent Corporate Services to update Joint Audit Committee members on Appendix and projects/targets at next meeting.	October meeting	T/Chief Superintendent Corporate Services	On agenda. Recommend action closed.	

Abbreviation Key

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



Joint Audit Committee

10th December 2020

Title:	OPCC Organisational Update
Author:	Stephen Hughes, Chief Executive
Purpose of the report:	Update JAC on OPCC matters of note
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
Summary / Key Points:	Updates the JAC on <ul style="list-style-type: none"> • Heroin Assisted Treatment Conference • Your Community Your Choice Funding <ul style="list-style-type: none"> • Third Sector Engagement
Recommendations:	None
Risk register impact:	None
Assurance implications:	None
Equality Impact:	None
Information exempt from disclosure:	No



Joint Audit Committee 10.12.20

OPCC Organisational Update

1. Updates

The previous meeting of the Joint Audit Committee (JAC) was held on 5th October 2020. This report will provide an update to the JAC on OPCC matters of note since then.

2. Lost Voices, Lost Lives Conference

The PCC hosted this conference on 2nd November and was delighted with its success and positive feedback received from over 120 delegates in attendance from across Wales and the UK. The conference raised awareness of Heroin Assisted Treatment and support for a pilot in North Wales. Discussions will now continue with the Local Health Board and the Area Planning Board. A recording of the conference can be found on the OPCC website

3. Your Community, Your Choice

The Your Community Your Choice scheme was recently launched by the PCC and North Wales Police. The PCC contributes £30,000 funding and North Wales Police contribute £30,000 funding that has been seized from criminals via the Proceeds of Crime Act. Community groups across North Wales are urged to bid for the funding.

This is the eighth year of the scheme which is organised by the police and crime commissioner in conjunction with North Wales Police and the North Wales Police and Community Trust (PACT). Over that period a total of £310,000 has been awarded to 106 projects working to support the priorities in the commissioner's Police and Crime Plan.

Entries close on Friday, December 11, with the Your Community, Your Choice entry form available on the Police Commissioner's website, North Wales Police website and PACT website. A shortlist of applicants will be chosen by a special panel with the winners being decided by a public vote.

4. Third Sector Annual Engagement Event

On 19th November the PCC once again hosted his annual engagement event for those working in the voluntary / third sector. This is an important event in the diary for many reasons. Firstly, it provides the PCC with an opportunity to recognise the hard work of those agencies that work on the front line and support victims of crime across the region. The fantastic response of the third sector to the Covid-19 pandemic made this years' event even more significant. Secondly, it presents an opportunity to consult with those working with victims to ensure that the PCC and OPCC remain focussed on the correct strategic priorities.

Report Author:	Stephen Hughes, Chief Executive
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Joint Audit Committee

Meeting Date: 10th December 2020

Title:	Organisational Update – North Wales Police
Author:	Seb Phillips, Director of Finance & Resources
Purpose of the report:	To provide the Joint Audit Committee with an overview of key organisational events and issues taking place since the last JAC meeting held on 05.10.20.
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
Summary / Key Points:	<p>This report provides a high level Organisational Update for North Wales Police highlighting key issues and events affecting the organisation for the period from 22.09.20 to 20.11.20.</p> <p>The issues and events are analysed between the four categories of Finance; People, Learning & Innovation; Operational and Public / Community.</p>
Recommendations:	For members of the Joint Audit Committee to note the Director of Finance & Resources' report.
Risk Register Impact:	None.
Assurance Implications:	None.
Equality Impact:	None.
Information Exempt from Disclosure:	None - All content in Open Session

JOINT AUDIT COMMITTEE

10 December 2020

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 22.09.20 to 20.11.20.

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

2. Finance

- Since the last JAC report the Chancellor has decided to conduct a one-year Spending Review for 2020-21 with announcements expected on 25th November. This is to prioritise the response to Covid-19, and replaces the 3 year CSR previously anticipated.
- Pay awards for both Police officers and Police staff have now been confirmed, with both being agreed in line with planning assumptions of 2.5%.
- Progress has continued to advance regarding Covid-19 cost recovery; £416k of medical grade PPE expenditure has been recovered with the Home Office providing a scheme to recover further expenditure; a claim for £102k of lost income has been submitted to the home office and £309k of enforcement funding has been received as part of a £30m sum provided nationally.
- The localised North Wales Police approach of focussing on the 'controllable' elements of the business planning has continued with reviews scheduled with the Chief Constable and PCC for November and December respectively.
- The full year revenue projections – as reported to SMB in November – now reflect an increasing level of underspend of £1.4m. Capital projections also show a significant underspend for the financial year, albeit these are largely expected to be timing differences.
- Lastly, for good order it is worth confirming that the 2019-20 Statement of Accounts were signed and published in early October, following the last JAC meeting.

3. People, Learning & Innovation

- With Phase 1 Uplift recruitment complete, details around the officer allocation and funding of Phase 2 are still awaited. However, the business planning process has provisionally identified where greatest value from a further officer allocation could be derived.
- Staff absences due to Covid-19 increased slightly during September & October prior to increased social restrictions being introduced in Wales.
- To that end, the Welsh Government introduced a 17 day fire break period from 23rd October which had a bearing on internal and external organisational practices during this period.
- The influenza vaccination programme – aimed at minimising absences beyond just Covid-19 – is currently in its delivery phase.
- A number of Critical Digital transformation work-streams continue to progress:

- Single Online Home has been launched with the first tranche of services being introduced at the end of Oct20 with a range of further services being launched over a 6 week window.
 - The Command & Control programme initial proposals are expected in Dec20.
 - NEP is now in its Tech pilot phase. Subject to its successful completion, it will move to Business pilot phase in Dec20.
 - Akin to the approach for Command & Control, ESN has now established a Gold group structure within NWP. Ch Supt Anderson will be taking the Gold Commander lead for the programme with the DFR acting as the Strategic lead for the force.
- The ICT Sourcing strategy options have been developed with the final option selection expected to take place in Dec20.
 - The inaugural FCIN Management Board – with representatives spanning multiple regions and forces in attendance - was chaired by ACC Hatchett in Nov20 with the section 22 to underpin the area, advancing.
 - A number of areas continue to develop with regard to National; North West and All Wales collaboration.

4. Operational

- Following a number of local restrictions being introduced across Wales – some affecting the North Wales counties - the Welsh Government introduced a 17 day fire break period from 23rd October.
- As a result Policing in a Covid Environment has remained dynamic with regulatory changes continuing to be reviewed and implemented in real time. However, the local emphasis continues to follow the NPCC guidance and to that end, remains focussed on applying the 4 Es: Engage, Explain, Encourage & if required Enforce.
- The UK Government's announcement for enforcement funding of £30m has led to corresponding plans being further developed as part of the NWP Covid-19 strategy. Additional officer presence and visibility has been achieved through the tactical use of overtime and Special officer resource. NWP's specific allocation of funding is £309k.
- Demand patterns during the lockdown period appear to have followed a similar pattern to the first lockdown with non-emergency calls, webchats and emails increasing but emergency calls reducing all being reported at the SMB in November. However, weekends throughout November have experienced some high demand in serious crime. In addition to this, both October and November has seen a significant amount of proactive arrests and remands for Serious Organised Crime.
- Since the last JAC reporting period local, regional and national activity has increased in relation to the EU Transition with tasking within the Force being co-ordinated via a Gold group under the command of T/ACC Harrison.

5. Public / Community

- The re-introduction of tighter Civil restrictions across Wales, has resulted in an increase in Covid related Non-Emergency incidents from the public.
- A Diversity Unit review undertaken – reported on at the November SMB - showed a year on year increase in hate crime with community tensions. Covid-19 and heightened media attention relating to Black lives matter were both identified as contributing factors.
- A survey is currently underway, regarding community sentiment in relation to NWP's Covid response with results still pending at the time of writing.

- The Commissioner's office will engage with key stakeholders in relation to proposed precept levels for 2021-22 with survey results to be received in December.

6. Recommendations

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



Joint Audit Committee

Meeting Date: 10 December 2020

Title:	Strategic Planning Unit (HMIC)
Author:	CI David Cust
Purpose of the report:	Information Update
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> X Information
Summary / Key Points:	<p><u>HMICFRS</u></p> <p>HMIC have just finished a rape thematic review of the force .It was a joint inspection with CPS and 6 inspectors. This was conducted remotely utilising North Wales Police laptops out of force. HMIC looked at a number of case files where they were finalised at outcome 14/15/16/18 no further action NFA's, and spoke to officers, CPS staff, and ISVA representatives.</p> <p>The hot debrief with the Inspectors was positive with a glowing review of the relationship between CPS and Police. There was a sense of support and understanding by senior officers of the challenges and work loads of the DC/DS investigators (reflected in the conversations with members of the Amethyst Team). This was deemed as 'uniquely good' from their observations on other forces.</p> <p>The majority of NFA cases were deemed appropriate. SOLO/STO were used well to facilitate medicals and ABEs – which were both promptly done. Most cases showed sound decision making and well recorded rationales.</p> <p>There were some areas for development highlighted too. It was identified that there were a lack of cases submitted for early CPS advice. Whilst this was recognised by both the force and the CPS, it wasn't clear whether there was a strategy for progressing in this area. It was also stated that there were significant delays in CPS decisions.</p> <p>HMIC have now returned to normal roles. Arrangements are in hand with our FLL to check our progress in relation to AFIs and recommendations. We are making good progress and therefore we have nothing to report by exception. When our FLL can return to force we are confident that they will sign off some of the recommendations and AFIs. In the areas where we are not requesting sign off we are satisfied with the progress being made.</p> <p><u>Strategic Planning</u></p> <p>In June 2020 the force began a process that would inform and meet the requirements of setting a balanced budget and producing the Force Management Statement for HMICFRS.</p> <p>The aims of the process were:</p> <ul style="list-style-type: none"> • To support recovery plans post COVID-19; • Provide the foundation for our organisational ambition to deliver the vision and an incentive to continually improve as we strive towards this; • Ensure the organisation identifies efficiencies; • Identify options for savings to allow reallocation of resources to meet gaps identified through the FMS; • Ensure back office support required to deliver operational excellence is considered.



	<p>All Service areas produced a Business Plan, which was their evidence based understanding of future demand, the capacity and capability of their people and other assets to meet this demand, their assessment of staff wellbeing, efforts to identify efficiencies and opportunities for future investment. All Service areas were set a series of savings targets to enable them to describe a range of options including any negative impact on current levels of service. The force could then take a balanced approach to determine where to place the Operation Uplift officers and where to reallocate lower priority funds to manage higher priority demand.</p> <p>Currently, all the savings options and growth opportunities have been risk assessed by service leads. These will be moderated by the Chief Officers over a series of planning days before a final detailed package is presented at Budget Setting on 27th November. There are still a number of considerable uncertainties around funding streams however the force is now well positioned to react to variances in our assumptions having started this process early.</p>
Recommendations:	N/A
Risk register impact:	N/A
Assurance implications:	N/A
Equality Impact:	N/A
Information exempt from disclosure:	



Joint Audit Committee
Meeting Date: 10th December 2020

Title:	Internal Control Report
Author:	Anne Matthews, Finance & Budget Officer Seb Phillips, Director of Finance & Resources
Purpose of the report:	To provide the Joint Audit Committee with an overview of Internal Control activity within the Force
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<p>The report summarises key Internal control activity regarding:</p> <ul style="list-style-type: none"> • Recommendation status from previous TIAA Audits • Management response regarding Client Briefing Notes (CBNs) and Fraud Alerts • TIAA audits issued in the period • CBNs issued in the period • Fraud alerts issued in period • Update on 2020/21 audit plan
Recommendations:	None
Risk Register Impact:	TIAA control findings, Client Briefing Notes and Fraud Alerts have been considered for reflection on the Force Risk Register.
Assurance Implications:	This report is directly relevant to Internal Control Activity providing Assurance in North Wales Police.
Equality Impact:	None
Information Exempt from Disclosure:	N/A – All content in Open Session



JOINT AUDIT COMMITTEE

INTERNAL CONTROL REPORT – 10th December 2020

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

1. INTRODUCTION

The purpose of this report is to provide an update on the Internal Control Activity undertaken since the last Joint Audit Committee and is based on information received and recorded by 13th November 2020.

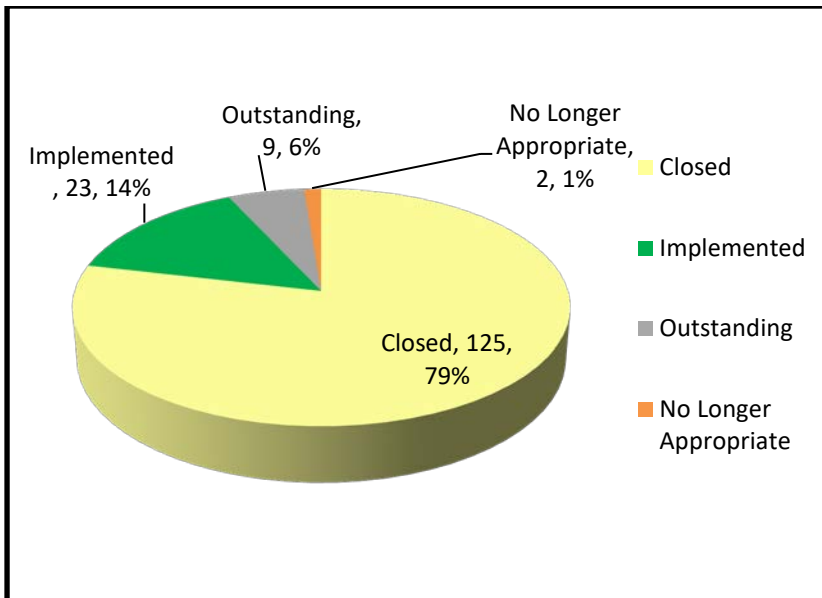
It is anticipated that further activity may have been undertaken by the JAC December meeting itself, which will be verbally updated on exception at the meeting.

The report should be read in conjunction with the TIAA papers submitted to JAC for the meeting and specifically summarises key Internal control activity regarding:

- Recommendation status from previous TIAA Audits
- Management response regarding Client Briefing Notes (CBNs) and Fraud Alerts
- TIAA audits issued in the period
- CBNs and Fraud Alerts issued in the period
- The current status of the 2020-21 Internal Audit Plan

2. RECOMMENDATION STATUS OF TIAA AUDITS

The position on 2020/2021 Internal Audit recommendations as at 13th November 2020 is outlined below:



Movement since the last JAC meeting:

- 3 new outstanding recommendations received.
- 1 outstanding recommendation implemented.
- 1 outstanding recommendation deemed no longer appropriate.



ID	Service	Job	Year	Risk Area	Comment
247346	Internal Audit	20/21 Organisational Development	2020	Directed Risk	Audit report received 06/11/2020
247494	Internal Audit	20/21 Counter Fraud – Anti-Fraud Procurement	2020	Directed Risk	Audit report received 13/11/2020
247498	Internal Audit	20/21 Expenses and additional payments	2020	Directed Risk	Audit report received 11/11/2020
241633	Internal Audit	HR Management - Wellbeing Strategy	2019	Operational Risk	Implemented on 13/11/2020
236367	ICT Audit	ICT – Network Security PO No FN27625	2018	Compliance Risk	Moved to NLA 13/11/2020; mitigation of risks in place.

Analysis of the 23 implemented recommendations as at 13th November 2020 is outlined below:

Status Summary - Implemented	Category	No
Implemented on or before original due date	Cat 1	17
Implemented on or before 1st revised due date	Cat 2	0
Implemented on or before 2nd revised due date	Cat 3	0
Implemented on or before 3rd revised due date	Cat 4	1
Implemented on or before 4th revised due date	Cat 5	0
Implemented on or before 5th revised due date	Cat 6	1
Implemented after original and/or revised due date	Cat 7	4
		23

Analysis of the 9 outstanding recommendations as at 13th November 2020 is also outlined below:

Status Summary - Outstanding Recommendations	Category	No
No of Recommendations - still on original due date	Cat 1	4
No of Recommendations - 1st revised due date	Cat 2	3
No of Recommendations - 2nd revised due date	Cat 3	1
No of Recommendations - 3rd revised due date	Cat 4	0
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	0
		9

The latest position and update regarding the 9 outstanding recommendations is included in Appendix 1.



3. MANAGEMENT RESPONSE REGARDING CLIENT BRIEFING NOTES (CBNs) & FRAUD ALERTS

CBNs and Fraud Alerts are now being reported and monitored via the F&R SMT with the Joint Governance Board providing further oversight.

CBNs dating back to September 2019 have been compiled on a single schedule and are shared with JAC members periodically; Since April 2020 TIAA have also issued Fraud Alerts.

The current status on CBNs and Fraud Alerts is shown below:

Type	No rec'd	Action Required	Open Actions
CBNs - 19016 to 20029	27	0	0
Fraud Alerts	10	0	0

4. TIAA AUDITS & REPORTS ISSUED IN THE PERIOD

The following reports have been issued by TIAA since the October 2020 JAC meeting. All reports been shared in full with the JAC members.

System	Type	Planned Quarter	Days	Revised Quarter	Current Status	Assurance Level	Comment
General Ledger	Assurance	Q3	6		Final Report Issued	Substantial	No recommendations made
Pensions	Assurance	Q2	8		Final Report Issued	Substantial	No recommendations made
HR/Workforce Management - Organisational Development	Assurance	Q1	7	Q2	Final Report Issued	Substantial	1 recommendation made
Expenses & Additional Payments	Compliance	Q2	8		Final Report Issued	Reasonable	2 recommendations made
Anti-fraud Procurement	Compliance	Q2	6		Final Report Issued	Substantial	1 recommendation made
Payroll	Assurance	Q3	10		Final report issued	Substantial	No recommendations made

Draft audits received and circulated for management responses:

System	Type	Planned Quarter	Days	Revised Quarter	Current Status	Assurance Level
Collaborative Risk Management – Mitigating Controls	Compliance	Q2	7		Draft Report Issued	Reasonable
ICT - Data Assurance	Assurance	Q2	8		Draft Report Issued	Reasonable



5. CBNs AND FRAUD ALERTS ISSUED IN THE PERIOD

Five CBNs have been issued since the last JAC meeting and have been circulated for action.

Date Issued	CBN Ref	Subject	Status
28/09/2020	CBN-20029	All Data Protection Guidance for Collecting Customer Information	
30/09/2020	CBN-20028	Charities - New online register "widens the public's window" into how charities are run	
18/09/2020	CBN-20025	All Risk Associated with Cloud Computing	
17/09/2020	CBN-20024	Government Review of the PCC Model	
18/09/2020	CBN-20023	All Need for a Social Media and Electronic Communications Policy	

Two Fraud Alerts have been issued since the last JAC meeting, existing controls mitigate the risks.

Date Issued	Ref	Subject	Status
(6) October 2020 - Received 06/11/2020	Fraud Alert	Increase in Phishing Emails	
(5) August 2020 - Received 18/09/2020	Fraud Alert	Compromised Facebook Accounts and PayPal Scam	

6. UPDATE REGARDING FY2020-21 AUDIT PLAN

Following discussions with TIAA we are confident we will complete the 2020/21 audit plan. Details of scheduled audits are on appendix 3.



Alternative audits for those previously cancelled have now been agreed, all three relate to Fleet – Strategy, Fuel and Repairs

We are awaiting confirmation that the Review of Cyber Security Pensions audit will go ahead; this will be a collaborative audit between the Welsh forces. Discussions are underway between the four DFRs.

7. OTHER ISSUES of NOTE

This report has been produced to provide assurance to JAC members in relation to Internal Control activity. Whilst the emphasis has been placed on the 'management response' aspect of this activity, the authors are aware of duplication with the reports provided by TIAA.



Appendix 1 – Latest Management Response relating to Outstanding Recommendations

No	Rec	Audit	Risk Area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Latest Response
001	236368	ICT – Network Security PO No FN27625	Compliance Risk	ICT management to ensure the implementation of a protective monitoring solution.	2	Head of ICT	31/12/2019	30/11/2020	06/11/2020 - Update received from Head of ICT Infrastructure We are working with BT NMC as part of the NEP relationship to Go Live against the On-prem alerting process with an expected Go Live of the 19/11/2020, with numerous testing occurring at the moment.
002	244671	Cyber Security	Compliance Risk	Intrusion detection and intrusion protection functionality be implemented.	2	NWP PMO Programme Management Office/NWP ICT	31/07/2021	31/03/2022	12/11/2020 - Update received from Programme Manager Due to Covid-19 delays this has impacted on our readiness to commence the Technology Pilot which has impacted progress, revised dates are now in place: Tech Pilot to be completed by end of November 2020 Business Pilot to be completed February 2021 Full rollout, over the next 12 months, expected completion date February/March 2022.
003	244672	Cyber Security	Compliance Risk	The Microsoft Enterprise Mobility and Security suite available to North Wales Police through the National Enabling Programme be fully leveraged to improve cyber security.	2	NWP PMO Programme Management Office/NWP ICT	31/07/2021	31/03/2022	12/11/2020 - Update received from Programme Manager Due to Covid-19 delays this has impacted on our readiness to commence the Technology Pilot which has impacted progress, revised dates are now in place: Tech Pilot to be completed by end of November 2020 Business Pilot to be completed February 2021 Full rollout, over the next 12 months, expected completion date February/March 2022.



No	Rec	Audit	Risk Area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Latest Response
004	242655	Collaborative Review - Single Online Home	Operational Risk	A detailed benefits analysis be completed by each force once Single Online Home has been fully implemented to determine the benefits arising from the use of Single Online Home.	2	Project Manager	30/10/2020	28/02/2021	12/11/2020 - Update from Project Manager There have been a few delays again in implementing due to the build of the product, but we should still be on track for completion of the benefit analysis in early 2021 and project closure/move to BAU has been scheduled for Welsh COG in January/February 2021. SOH is going live in stages from 28/10/2020 to 02/12/2020; this site can be accessed from the current NWP site.
005	244459	Governance - Corporate Communications	Directed Risk	An Engagement Annual Report be produced as planned.	2	CEO, OPCC	30/09/2021		06/11/2020 - Update from CEO Recommendation remains on track for completion on original date
006	247498	20/21 Expenses and additional payments	Directed Risk	A reminder be sent to staff and line managers that a receipt is required to be submitted with expense claims and that claims are not to be approved in the absence of a receipt or a reasonable explanation for there being no receipt to support the expenditure.	2	Payroll and Pensions Manager	31/03/2021		12/11/2020 - Management Response It is important to note that when an individual makes a claim, the first screen has a notification stating "By submitting this claim you are certifying you have read, understood and adhered to the Expenses & Allowances policy found here" – you can then click on the toggle to open the policy. A "Need to Know" bulletin will be created and circulated force wide to remind claimants and line managers of their responsibilities. This will also be published on the SSF SharePoint site.



No	Rec	Audit	Risk Area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Latest Response
007	237156	GDPR Compliance Audit PO No FN27625	Operational Risk	A review process be introduced to minimise the risks around sensitive data being stored to network drives.	3	Programme Manager, Corporate Programme Office	31/03/2020	31/03/2022	<p>12/11/2020 - Update received from Programme Manager</p> <p>Due to Covid-19 delays this has impacted the organisational migration of all data to O365. The implementation of this recommendation will follow the same timeline as recommendations 244671 and 244672.</p> <p>Tech Pilot to be completed by end of November 2020</p> <p>Business Pilot to be completed February 2021</p> <p>Full rollout, over the next 12 months, expected completion date February/March 2022</p>
008	247346	20/21 Organisational Development	Directed Risk	The Learning and Development Policy be reviewed and updated as necessary.	3	Head of Training and Development	31/01/2021		<p>06/11/2020 – Management Response</p> <p>I have already reviewed the Learning and Development Policy and created a draft updated document. I have made a recommendation that the Learning and Development policy and procedure documents are re-aligned to the new assurance framework so will become an overarching Learning and Development framework linked with practice guides.</p> <p>I expect this work to be completed and through the Assurance Board by January 2021.</p>
009	247494	20/21 Counter Fraud – Anti-Fraud Procurement	Directed Risk	The Force’s Modern Slavery and Human Trafficking Statement be signed as reviewed and updated on an annual basis and displayed on the website.	3	Head of Procurement	30/11/2020		<p>12/11/2020 – Management Response</p> <p>The Modern Day Slavery statement was signed by the Chief Constable and the Crime Commissioner on the 23/10/2020. This statement has been uploaded to the OPCC website and will be uploaded to the NWP website in due course.</p>



Appendix 2 – 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



Appendix 3 – Scheduled Audits against 2020/2021 audit plan

System	Type	Planned Quarter	Days	Revised Quarter	Current Status	Assurance Level	Comments
Collaborative Governance - Yr 1 Strategic Resource Planning	Appraisal	Q3	10		Draft Scope Issued		
Governance - Yr 1 Collaborations	Assurance	Q2	10	Q2	Cancelled		
Collaborative Risk Management – Mitigating Controls	Compliance	Q2	7		Draft Report Issued	Reasonable	
Collaborative Budgetary Control	Assurance	Q3	7.5		APM issued		
Creditors	Assurance	Q3	6		APM issued		
General Ledger	Assurance	Q3	6		Final report issued	Substantial	No recommendations made
Payroll	Assurance	Q3	10		Final report issued	Substantial	No recommendations made
Pensions	Assurance	Q2	8		Final report issued	Substantial	No recommendations made
Treasury Management	Assurance	Q3	4	Q2	Final report issued	Substantial	No recommendations made
Expenses & Additional Payments	Compliance	Q2	8		Final report issued	Reasonable	1 recommendation made
Anti-fraud Procurement	Compliance	Q2	6		Final report issued	Substantial	1 recommendation made
HR/Workforce Management - Organisational Development	Assurance	Q1	7	Q2	Final report issued	Substantial	1 recommendation made
ICT - Infrastructure Review	Appraisal	Q2	8		APM issued		
ICT - Change Management	Assurance	Q4	8		APM issued		
ICT - Data Assurance	Assurance	Q2	8		Draft Report Issued	Reasonable	
Collaborative Project Review - ACE	Appraisal	Q4	8		Opted out		
Collaborative Project Review - Office 365	Appraisal	Q2	7.5		Fieldwork commenced		
Collaborative Procurement - Strategic Lead	Appraisal	Q3	5		APM issued		
Command Unit - Eastern Area	Compliance	Q2	8	Q3	APM issued		
Property Subject to Charge	Compliance	Q2	6	Q3	APM issued		
Collaborative Vetting of Contractors	Compliance	Q1	3	Q2	Final report issued	Substantial	No recommendations made
Contract Management	Assurance	Q2	6	Q3/4	Cancelled		
Fleet Fuel	Compliance	Q3	5		Replacement Audit		
Fleet Strategy	Assurance	Q4	6		Replacement Audit		
Fleet Repairs	Compliance	Q4	6		Replacement Audit		

Latest report

Submitted in previous JAC Meetings

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

Summary Internal Controls Assurance (SICA) Report

2020/21

November 2020

Summary Internal Controls Assurance

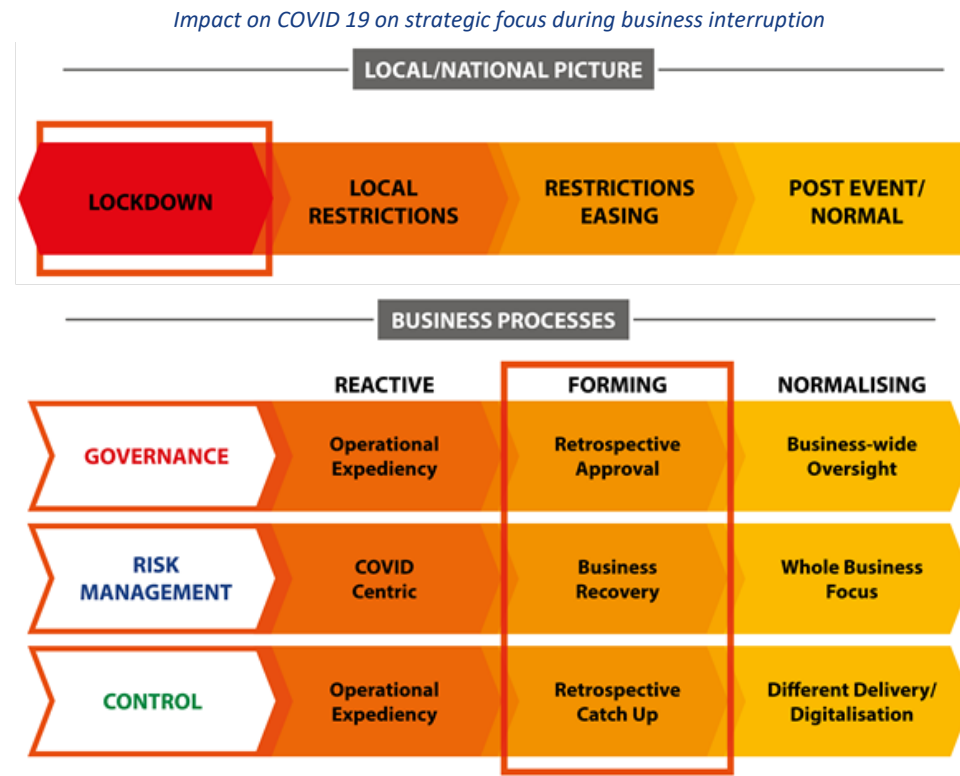
Introduction

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 the Police and Crime Commissioner North Wales and Chief Constable North Wales Police as at 13th November 2020. The period covered by this summary controls assurance report was significantly impacted by the COVID 19 pandemic.

Emerging Governance, Risk and Internal Control Related Issues

2. COVID 19 is the most significant recent event to impact both strategically and operationally upon modern day Governance, Risk and Internal Control arrangements. It is clear that there has been and will continue to be a number of phases in relation to the move through the pandemic, and that the local and national picture can worsen as well as improve. Each phase has different implications for Governance, Risk and Internal Control arrangements, however, the way in which organisations have transitioned to revised ways of working is not necessarily directly linked to the local or national picture.

The diagrams in the table below signify the assessment of the current local and/or national picture, but also assesses how the organisation has adapted to new ways of working (the 'new normal') at least for the foreseeable future.



3. There are a range of operational matters arising from the COVID 19 pandemic which impact upon the Governance, Risk and Internal Control arrangements and examples of such have been summarised in Appendix A. During the COVID 19 period it would be prudent for the Police and Crime Commissioner North Wales and the Chief Constable North Wales Police to compare the policies, procedures and internal control processes in effect during the pandemic against the policies, procedures and internal control processes in effect prior to the onset of the pandemic.. The matters identified should be risk assessed so as to gain awareness about where the undetected vulnerabilities that may exist so that an informed decision can be made around acceptance of such risks.

Internal Control Framework

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

4. Six audits from 2020/21 have been finalised since the previous meeting. The table below sets out details of the reports finalised since the previous meeting of the Joint Audit Committee.

Audits completed since previous SICA report

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
General Ledger	Substantial	30 th October 2020	4 th November 2020	4 th November 2020	-	-	-	-
Organisational Development	Substantial	19 th October 2020	5 th November 2020	6 th November 2020	-	-	1	-
Pensions	Substantial	9 th November 2020	9 th November 2020	10 th November 2020	-	-	-	-
Expenses and Additional Payments	Reasonable	30 th October 2020	9 th November 2020	11 th November 2020	-	1	-	1
Anti-Fraud Procurement	Substantial	22 nd October 2020	12 th November 202	13 th November 2020	-	-	1	-
Payroll	Substantial	12 th November 2020	13 th November 2020	13 th November 2020	-	-	-	-

Progress in actioning priority 1 recommendations

5. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA. More information is provided in Appendix D.

Root Cause Indicators

6. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for the Police and Crime Commissioner North Wales and the 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. No audit work was completed in Quarter 1 in the new reporting format so no analysis can be provided for this quarter. No recommendations were raised in Quarter 2.

RCI – Direction of Travel Assessment

Root Cause Indicator	Qtr 1 (2020/21)	Qtr 2 (2020/21)	Qtr 3 (2020/21)	Qtr 4 (2020/21)	Medium term Direction of Travel	Audit Observation
Directed						
Governance Framework	N/A	N/A	67% (2)		N/A	As there were no recommendations in Q2 there is no data to be compare. A comparison will be undertaken in Q4.
Risk Mitigation	-	-	-		N/A	As there were no recommendations in Q2 there is no data to be compare. A comparison will be undertaken in Q4.
Control Compliance	-	-	33% (1)		N/A	As there were no recommendations in Q2 there is no data to be compare. A comparison will be undertaken in Q4.
Delivery						
Performance Monitoring	-	-	-		N/A	No recommendations to compare
Financial Constraint	-	-	-		N/A	No recommendations to compare
Resilience	-	-	-		N/A	No recommendations to compare

Progress against the 2020/21 Annual Plan

7. **COVID 19:** The progress against the planned work for the quarter has been disrupted by the COVID pandemic. In mid-March, when the potential scale and impact of COVID 19 was becoming evident it was agreed with North Wales Police that the delivery of the internal audit service would be carried out remotely thereby minimising the need to physically access North Wales Police’s offices/premises and to hold face to face meetings. There was an initial delay in commencing fieldwork but we are satisfied that the plan is on track to be delivered by 31st March 2021. Following discussions with the senior management at North Wales Police it has been agreed that some work may be undertaken on site as required and subject to the appropriate risk assessments.
8. Our progress against the Annual Plan for 2020/21 is set out in Appendix C.

Changes to the Annual Plan 2020/21

9. We will keep the Annual Plan under review and where appropriate will highlight areas where internal audit work is recommended to enable an unqualified Head of Audit Opinion to be provided for 2020/21.

Frauds/Irregularities

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

Other Matters

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

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

Briefing Note	Management Response
Data Protection Guidance for Collecting Customer information	Management have co-ordinated responses for the JAC Meeting
Risks Associated with Cloud Computing	
Government Review of the PCC Model	
Need for a Social Media and Communications Policy	
Fraud Alert	Management Response
Compromised Facebook Accounts and PayPal Scam	Management have co-ordinated responses for the JAC Meeting
Increase in Phishing Emails	
Newsletters	
Squaring the Circle	

12. We have reviewed recent guidance issued by the Internal Audit Standards Advisory Board (IASAB) in relation to internal auditing during the COVID-19 pandemic. The guidance aims to support heads of internal audit and individual internal auditors in continuing to meet their personal and professional responsibilities for conforming the UK Public Sector Internal Audit Standards (PSIAS). We can confirm continued conformance with the professional standards during this period.

Responsibility/Disclaimer

13. 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.

Covid 19 – Governance, Risk and Control considerations during ‘lockdown’ phase

Area	Possible assurance from internal audit
<p>Governance: The speed of the need to respond to COVID 19 has significantly impacted on the strategic governance infrastructure:</p> <ul style="list-style-type: none"> Urgent decisions taken for urgent operational reasons which would normally have gone through Board review and approval Extension and rollover of procurement contracts Disruption to management information received by the Board Operational necessity for management dispensation to scheme of delegation and financial regulations Move to remote working for reactive operational expediency reasons, rather than as part of a pre-planned strategy 	<p>Covid-19 Financial Governance: A review of financial governance and decision making following the business interruption caused by Covid-19, including assessing the accountability for additional spend on Covid-19 related activity.</p>
<p>Risk Management: The markers which differentiate COVID 19 pandemic from most business resilience/recovery plans are:</p> <ul style="list-style-type: none"> Speed of major disruption to business as usual did not permit normal level of preparation International as well UK-wide, not local Level of government intervention Duration and severity Move to medium term remote working arrangements by staff and suppliers Consequential impact upon all the previous strategic risks 	<p>Business as Usual Resumption Arrangements: Targeted post-event risk mitigation assessment to identify any unintentional gaps in the risk management framework.</p>
<p>Internal Control: COVID 19 has provided the perfect storm both in a positive as well as negative manner. The positive aspects are the expeditious embracing of digital business delivery. It is recognised that a number of government and/or regulatory guidance requirements were issued at short notice and many of these were without the normal consultation and similar. On a negative basis the following need to be recognised:</p> <ul style="list-style-type: none"> Suppliers and contractors being unable to deliver contracted services Increased digitalisation introduced at very short notice increases information governance risks Temporary compromise of effective segregation of duties due to staff absences and/or remote working etc Fraudsters seeking to take advantage of COVID disruption Deferment and/or reprioritisation of services Sudden and significant change in demand patterns for services 	<p>COVID-19 Business Interruption Controls Framework: To review the control environment in relation to policy and process design or temporary re-design, taking into account the heightened risk of fraud and changes to ways of working.</p> <p>Accountability for Additional COVID-19 Funding: Revisiting the control framework for when emergency payments shift into longer term services – especially where large sums are invested.</p>

Executive Summaries and Management Action Plans

The following Executive Summaries and Management Action Plans are included in this Appendix. Full copies of the reports are available to the Joint Audit Committee on request. Where a review has a 'Limited' or 'No' Assurance assessment the full report has been presented to the Joint Audit Committee and therefore is not included in this Appendix.

Review	Evaluation
General Ledger	Substantial
Organisational Development	Substantial
Pensions	Substantial
Expenses and Additional Payments	Reasonable
Anti-Fraud Procurement	Substantial
Payroll	Substantial

Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Collaborative – Pan Wales			
Risk Management – Mitigating Controls	2	Draft report issued 21 st October 2020	Lead Force – South Wales Police
Vetting of Contractors	2	Final report issued 4 th September 2020	Lead Force –North Wales Police
Collaborative Project Review – Office 365 (part of National Enabling programme)	2	Draft report issued 18 th November 2020	
Collaborative Budgetary Control	3	Planned for 6 th November 2020	Fieldwork has commenced at Dyfed-Powys Police and South Wales Police
Procurement	3	New date to be confirmed for Quarter 4	1 st draft APM issued – It has been agreed that North Wales will be considered separately from the collaborative audit which is focusing on the Joint Procurement Unit that is being established in South Wales. To be planned for January 2021
Strategic Resource Planning	3	Waiting for confirmation of scope and will then agree new dates	The scope of the audit requires input from the Joint Finance and Resources Group.
Collaborative Project Review – Early Action Together (Adverse Childhood Experiences ACES Project)	2 4	Cancelled	North Wales Police have decided not to participate in this review as the project is no longer funded. An alternative option – Cyber Security of Pensions has been suggested.
Liaison with Audit Wales	1-4		Attendance at Police Practitioner Group meetings
North Wales Only			
Governance – Collaborations	1	Now cancelled	Cancelled at the request of Management
Counter Fraud – Anti-Fraud Procurement	1	Final report issued 13 th November 2020	
Organisational Development	1	Final report issued 6 th November 2020	
Pensions	2	Final report issued 10 th November 2020	

System	Planned Quarter	Current Status	Comments
Expenses and additional payments	2	Final report issued 11 th November 2020	
Infrastructure Review	2	Planned for 1 st December 2020	APM Issued
Data Assurance	2	Draft report issued 12 th November 2020	
Contract Management	2	Cancelled by management	
Eastern Area – Command Unit	2 4	Planned for 15 th February 2021	APM issued – Audit to be deferred to February 2021
Property Subject to Charge	2	Planned for 7 th December 2020	APM issued
Treasury Management	3	Final report issued 24 th August 2020	
General Ledger	3	Final report issued 4 th November 2020	
Payroll	3	Final report issued 13 th November 2020	
Creditors	3	Planned for 7 th December 2020	APM issued
Fleet Management – Fuel Usage	3	Planned for 17 th December 2020	Days to be utilised from cancelled audits
Fleet Management Strategy	4	Date to be confirmed	Days to be utilised from cancelled audits
Fleet Management - Repairs	4	Date to be confirmed	Days to be utilised from cancelled audits
ICT Change Management	4	Planned for 11 th January 2021	APM issued
Collaborative approach	1-4	See above	
Follow-up	4	Planned for 8 th February 2021	
Contingency	1-4		
Annual Planning	1		
Annual Report	4		
Management	1-4		

KEY:

	To be commenced		Site work commenced		Draft report issued		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 are no Priority 1 recommendations						

KEY:

Priority Gradings 1

1	URGENT	Fundamental control issue on which action should be taken immediately.
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Risk Mitigation

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

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Counter Fraud which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those CBNs and Fraud Alerts issued in the last three months which may be of relevance to 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
20029	Data Protection Guidance for Collecting Customer information		Action Required Organisations should ensure they have appropriate policies and procedures in place to meet their obligations for contact tracing and the protection of customer and visitor details.
20025	Risks Associated with Cloud Computing		Action Required Audit Committees and Boards/Governing Bodies are advised to seek assurance from their Data Protection Officer and IT on the status of where data is stored and what risk mitigation measures have been employed. Where no due diligence has been performed prior to cloud service use, retrospective assurance should be sought.
20024	Government Review of the PCC Model		No Action Required Audit Committees and Boards/Governing Bodies are advised to note the contents of the report
20023	Need for a Social Media and Communications Policy		For Possible Action Audit Committees and Boards are advised to review their policies, including those relating to GDPR, communications, marketing, disciplinary, code of conduct, and to ensure that they are in line with the recommendations contained within the articles. Consideration should also be given to having a separate Social Media and Electronic Communication Policy.

Summary of recent Fraud Alerts

Ref	Subject	Status	TIAA Comments
0000	Compromised Facebook Accounts and PayPal Scam		<p>Action Required</p> <p>This alert provides information and advice about fraud and economic crime that may occur during the pandemic, and the risks associated with it. Scams should be reported to Action Fraud: www.actionfraud.police.uk or 0300 123 2040.</p>
0000	Increase in Phishing Emails		<p>Action Required</p> <p>The alert provides information and advice to employees about fraud and economic crime, and the risks associated with it. If you have fallen victim to fraud or cyber-crime you should report it to Action Fraud by calling 0300 123 2040, or visit: https://reporting.actionfraud.police.uk/ If you have given your bank details and think you may have lost money, contact your bank immediately.</p>

JOINT AUDIT COMMITTEE

Title:	Risk Management Report
Author:	Sian Wyn Jones, Force Governance and Policy Lead
Purpose of the report:	To provide the Joint Audit Committee with an update on the organisational risk process and an oversight of the current risks recorded by North Wales Police and the North Wales Police and Crime Commissioner.
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> • All risks have been reviewed by the Risk and Business Continuity Lead who conducts reviews on a monthly basis. • Reminders have been sent to Risk Leads and Action Owners to review and update their ongoing risks either on a monthly or quarterly basis (dependent on the risk type). • Since the previous update all risks on the Force Risk Register have been reviewed in the following meetings with no issues or exceptions having been raised. <ul style="list-style-type: none"> ○ Departmental Senior Management Team Meetings ○ Senior Leadership Team Meeting ○ Strategic Management Board ○ Strategic Executive Board • A summary of live risks recorded on the Force Risk Register up to the 30th October 2020 and specifically highlighting amendments made to the following risks since the last update <ul style="list-style-type: none"> ○ Risk 38 Potential Impacts (uncertainty) of EU Exit ○ Risk 51 REDACTED CLOSED SESSION • A summary of the Force Risk Register Risk Actions RAG rating, with no concerns highlighted. • Since the previous update all risks on the Force COVID19 Risk Register have been reviewed in the following meetings with no issues or exceptions having been raised. <ul style="list-style-type: none"> ○ COVID19 Tactical Recovery Board ○ Strategic Management Board • A summary of live risks recorded on the Force COVID19 Risk Register up to the 30th October 2020.

	<ul style="list-style-type: none"> • A summary of the Force COVID19 Risk Register Risk Actions RAG rating, with no concerns highlighted. • An update on progress being made with creating departmental assurance maps, with Finance and Resources also complete and work having commenced with Corporate Services and scheduled to commence with Professional Standards in November. • An update in relation to work underway to review the Force Risk Appetite Statement which will be tabled at the March Joint Audit Committee.
Recommendations:	None
Risk Register Impact:	This report is based on details recorded on both the Force Risk Register and the COVID19 Risk Register
Assurance Implications:	This report is directly relevant to the development of assurance in North Wales Police
Equality Impact:	None
Information Exempt from Disclosure:	Separate closed session report submitted

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 30th October 2020 on the Force Risk Register version 5.177 and the COVID19 Risk Register 0.37.

Project risks are managed separately within the Portfolio Management Office; however those that require Force attention are escalated to the Force Risk Register through an agreed process.

2. FORCE RISK REGISTER SUMMARY

Since the last Joint Audit Committee (JAC) we continue to develop our approach to embedding Risk Management across the organisation. This involves greater interaction with the risk leads/owners with either monthly or quarterly (dependent on the risk type) reminders being sent to Risk Leads and Action Owners to review and update their ongoing risks. In addition to this the Risk and Business Continuity Lead also conducts a monthly review of all risks and raises any concerns or issues with SMT's via their monthly update report. Risks have also been reviewed at the Senior Leadership Team Meeting, Strategic Management Board and Strategic Executive Board with no issues or exceptions having been raised.

There continues to be networking with other Force Risk Managers to seek out best practice and engagement through Regional Risk Meetings too.

Table 1: - NWP Risks on the Force Risk Register 7th September 2020 – 30th October 2020

	Previous Total	Risks Closed in this period	New Risks in this period	Risks transferred to COVID19 Register	Risks transferred from COVID19 Register to Force Risk Register	Current NWP Risks Total
Critical	3	0	0	0	0	3
High	19	0	0	0	0	19
Medium	2	0	0	0	0	2
Low	0	0	0	0	0	0
Negligible	0	0	0	0	0	0
*Undefined	0	0	0	0	0	0
Total	24	0	0	0	0	24

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

Table 2: - OPCC Risks Force Risk Register 7th September 2020 – 30th October 2020

	Previous total	Closed in this period	New in this period	Changed Risk Level	Current NWP Risks Total
Critical	1	0	0	0	1
High	0	0	0	0	0
Medium	0	0	0	0	0
Low	0	0	0	0	0
Negligible	0	0	0	0	0
Total	1	0	0	0	1

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

There have been no new risks added to the Force Risk Register since the last report.

4. RISKS CLOSED FROM FORCE RISK REGISTER SINCE LAST REPORT

There have been no risks closed on the Force Risk Register since the last report.

5. RISK CHANGES ON FORCE RISK REGISTER SINCE LAST REPORT

Risk 38 Potential Impacts (uncertainty) of EU Exit: - Prior to control measures this was classified as a HIGH risk. This DYNAMIC risk relates to the potential impacts, directly or indirectly on all force business caused by the EU Exit, although the exact nature of impacts on finances; resources; and demand mean that there is uncertainty on what the effects on policing will be. In April 2019 the risk was lowered to MEDIUM and then in January 2020 it was lowered again to LOW due to inactivity during the transition period. The present risk level was raised to MEDIUM at the EU Gold Meeting on the 20th October to reflect the current position and increase in activity nationally in preparing for the EU exit at the end of the year.

Risk 51 – REDACTED CLOSED SESSION

6. FORCE RISK REGISTER ACTIONS

Table 3: - Risk Actions RAG Rating

Not on Track	On Track but with Issues	On Track
0	7	42

The majority of risk actions remain on track with a small number highlighting specific issues which are being managed.

7. FORCE COVID19 RISK REGISTER SUMMARY

Table 4: - Covid19 Force Risk Register 7th September 2020 – 30th October 2020

	Previous total	Closed in this period	New in this period	Changed Risk Level	Current COVID19 Risks Total
Critical	0	0	0	0	0
High	6	0	0	0	6
Medium	2	0	0	0	2
Low	3	0	0	0	3
Negligible	0	0	0	0	0
*Undefined	0	0	0	0	0
Total	11	0	0	2	11

8. NEW RISKS RECORDED ON THE FORCE COVID19 RISK REGISTER SINCE LAST REPORT

There have been no new risks added to the Force COVID19 Risk Register since the last report.

9. RISKS CLOSED FROM THE FORCE COVID19 RISK REGISTER SINCE LAST REPORT

There have been no risks Closed on the Force COVID19 Risk Register since the last report.

10. RISK CHANGES ON THE FORCE COVID19 RISK REGISTER SINCE LAST REPORT

There have been no Changes to risks on the Force COVID19 Risk Register since the last report.

11. FORCE COVID19 RISK REGISTER ACTIONS

Table 5: - Risk Actions RAG Rating

Not on Track	On Track but with Issues	On Track
0	0	15

All risk actions remain on track with no issues highlighted.

12. DEVELOPMENTS REGARDING RISK MANAGEMENT

12.1 ASSURANCE MAPPING UPDATE

The Assurance Board approved the Assurance Mapping Briefing document which will be used to brief the SMT's prior to undertaking the Assurance Map exercise.

The Finance and Resources Assurance Map is complete, with almost all actions identified on the action monitoring log complete.

Work has commenced with Corporate Service to undertake their assurance mapping exercise with all meetings initially scheduled to be complete by the end of November with a view to presenting the draft Assurance Maps to the Corporate Services SMT mid-December. However, whilst progress has been made, capacity within the team has been affected, resulting in delays to this work due to prioritisation of urgent risk and business continuity work. The revised schedule will be issued when resourcing is clearer.

Work will commence with Professional Standards to undertake their assurance mapping exercise in November with a view to presenting the draft Assurance Map to the Professional Standards SMT in December.

12.2 RISK AUDIT BY TIAA

TIAA have recently carried out a Risk Management audit across all Welsh Forces on the following risks recorded on Force Risk Registers

- COVID19 Recovery Plan – Selected by TIAA as a common Risk across all Welsh Forces.
- Encryption of discs sent to CPS – Selected by North Wales Police as a Risk rich with evidence and the Risk level managed down.

The draft audit report has been received for review and management responses to be completed.

12.3 RISK APPETITE

The Force risk appetite is currently reviewed annually. The review this year has commenced and the following is the current position.

Consultation to establish latest best practice

- Forces consulted and responded South Wales Police, Dyfed Powys Police, Cheshire Constabulary, West Yorkshire Police, Gloucestershire Police and Lincolnshire Police.
- Guidance received during a recent ALARM RISK MANAGEMENT COURSE - 'Advancing the Agenda' on establishing a Risk Appetite Statement.

- Review of the HM Government The Orange Book Management of Risk – Principles and Concepts.
- Review of HM Treasury Setting and communicating your Risk appetite document.
- Review of HM Treasury Managing your Risk appetite: A practitioner's guide document.
- Review of the NPCC Senior Information Risk Owners Handbook.
- NCALT National Policing Information Risk Appetite V2.1.
- Review of the IRM Risk Appetite and Tolerance Guidance.
- Review of IRM Risk Appetite Statements.

Next Steps:

- Meeting was held 11 November 2020, Director Finance and Resources, Ch Supt Corp Services, Risk Lead, Head of BI/Assurance to consider:
 - Review definitions of risk appetite levels
 - Review of risk areas, do any need to be removed, added or changed
 - Format of the risk appetite table
 - How the risk appetite is reviewed - through the year, or periodically
 - Consider an independent facilitated SLT session
- A further meeting to be held to review the risk areas
- Following the meeting produce a draft revised risk appetite, and document any resulting process changes
- Provide the draft revised risk appetite to the Joint Audit Committee risk lead and OPCC for views
- Take the draft revised risk appetite and proposals to the next available SLT/dedicated session
- Review the Risk and Assurance Mapping Framework for any process changes and table at the next available Assurance Board
- Table the agreed risk appetite at the Joint Audit Committee in March.

12.4 UPDATE JOINT AUDIT COMMITTEE RISK REPORTS

Consultation has taken place with the Joint Audit Committee Chair and Risk Lead on the contents of this report and their feedback and comments have been incorporated.

12 FORCE RISK REGISTER AS AT 30/10/2020

UR N	Risk Title	Risk Levels			Risk Type	Last Review Date	Outstanding Risk Action Progress			
		Before Controls	Present	Target			Total Number of Outstanding Actions	On Track	On Track but with Issues	Not on Track
3	RMS Legacy Database	High	Med (Force)	Low	Static	21/09/20	1	1		
5	IT Infrastructure investment	High	Low	Low	Static	08/10/20	1	1		
9	Adequacy of financial resources	Critical	High	Med (Force)	Dynamic	02/10/20	1	1		
10	REDACTED CLOSED SESSION	High	Med (Force)	Low	Static	14/09/20	2	2		
11	REDACTED CLOSED SESSION	High	Med (Force)	Negligible	Static	12/08/20	2	2		
13	Inadequate financial resources to deliver service plans	Critical	High	Med (Force)	Dynamic	13/10/20	1	1		
14	Risk of loss of money invested on the money market	Critical	Low	Low	Static	11/09/20	1	1		
19	REDACTED CLOSED SESSION	High	Low	Low	Static	11/09/20	2	2		
38	Potential Impacts (uncertainty) of EU exit	High	Med (Force)	Low	Dynamic	13/10/20	2	2		
46	REDACTED CLOSED SESSION	High	High	Med (Force)	Static	28/09/20	2	2		
47	Ability to Integrate Uplift Officers	High	Med (Force)	Low	Dynamic	28/09/20	3	3		
50	Recruitment of Insp into the FIM Role	Med (Force)	Med (Force)	Med (SMT)	Static	30/07/20	4	4		
51	REDACTED CLOSED SESSION	High	Low	Low	Dynamic	14/10/20	1	1		
53	REDACTED CLOSED SESSION	High	High	Med (Force)	Static	29/09/20	7	6	1	

54	REDACTED CLOSED SESSION	High	Med (SMT)	Low	Dynamic	15/10/20	1	1		
55	FHQ Backup Power Generator and Uninterrupted Power Supply (UPS)	High	Low	Low	Dynamic	08/10/20	1		1	
57	ESN proves to be an unviable or sub optimal solution given national and local concerns relating to the delivery parameters of Time, Cost & Quality.	High	High	Low	Static	08/09/20	2		2	
58	Command and Control Upgrade	High	Med (Force)	Low	Dynamic	05/10/20	1		1	
59	REDACTED CLOSED SESSION	High	Low	Low	Static	08/10/20	1	1		
60	REDACTED CLOSED SESSION	High	Med (Force)	Med (Force)	Static	25/09/20	1	1		
63	Pandemics	Critical	High	Med (Force)	Static	02/09/20	1	1		
64	REDACTED CLOSED SESSION	Med (Force)	Med (Force)	Low	Dynamic	07/10/20	1	1		
65	REDACTED CLOSED SESSION	High	High	Med (Force)	Dynamic	02/10/20	5	5		
66	REDACTED CLOSED SESSION	High	Med (SMT)	Low	Dynamic	09/09/20	2		2	
67	REDACTED CLOSED SESSION	High	Med (Force)	Low	Dynamic	29/09/20	3	3		

13 FORCE COVID19 RISK REGISTER AS AT 30/10/2020

URN	Risk Title	Risk Levels			Risk Type	Last Review Date	Outstanding Risk Action Progress			
		Before Controls	Present	Target			Total Number of Outstanding Actions	On Track	On Track but with Issues	Not on Track
CV04/20	REDACTED CLOSED SESSION	High	Med (Force)	Med (SMT)	Static	13/10/20	1	1		

CV05/20	REDACTED CLOSED SESSION	High	Med (Force)	Low	Static	23/09/20	1	1		
CV07/20	Insurance for work equipment whilst working from home	Med (Force)	Med (Force)	Low	Dynamic	08/09/20	1	1		
CV08/20	Staff returning to NWP Premises	High	Med (Force)	Low	Dynamic	06/10/20	2	2		
CV09/20	REDACTED CLOSED SESSION	Low	Low	Low	Dynamic	16/10/20	3	3		
CV10/20	Imparting culture and ethos on newly recruited remote staff	Low	Low	Low	Dynamic	06/10/20	2	2		
CV11/20	REDACTED CLOSED SESSION	High	Med (Force)	Low	Dynamic	06/10/20	2	2		
CV12/20	Communication Plan/Strategy	Low	Low	Negligible	Dynamic	06/10/20	1	1		
CV13/20	Home Working Health and Safety	High	High	Med (Force)	Dynamic	06/10/20	1	1		
CV14/20	REDACTED CLOSED SESSION	High	High	Med (Force)	Dynamic	06/10/20	0			
CV15/20	File Build training module	Med (Force)	Low	Negligible	Dynamic	15/10/20	1	1		

***Undefined – Awaiting completion of Risk Template from Risk Owner**



Joint Audit Committee

Meeting Date: 10 December 2020

Title:	Semi-annual Treasury Management Report 2020-21
Author:	Chief Finance Officer
Purpose of the report:	To report on the performance of the treasury management function
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> • The CIPFA’s Treasury Management (TM) in the Public Services’ Code of practice requires a report on performance of the TM function to be considered at least twice a year. • It contains a summary of TM activity undertaken in the first six months of 2020-21. • It deals with the investment of surplus cash and any borrowing requirements. • It highlights whether or not any limits or indicators were breached. In the 6 months relevant to this report, no statutory indicators were breached, with only a minor planned breach of the voluntary liquidity indicator (see paragraph 6). • A higher balance was purposely held in the current account to ensure sufficient liquidity over April and May during the COVID 19 lockdown period, resulting in the total held with HSBC (the Commissioner’s bankers) being at a maximum of £19.2m compared to the investment limit of £10m. • Consideration is ongoing regarding amending the wording in the 2021-22 Capital Strategy to formalise the policy around minimal breaches of the voluntary liquidity indicator.
Recommendations:	The report is submitted to the Joint Audit Committee for information and comment, and to provide further assurance prior to submission to the Police and Crime Commissioner
Risk register impact:	No impact – the arrangements are designed to manage the risk from investing and borrowing.
Assurance implications:	The report sets out the performance against agreed rules and limits for investing and borrowing money per the TM Strategy in place for 2020-21
Equality Impact:	No impact.
Information exempt from disclosure:	No exempt information.

Treasury Management Outturn Report April 2020 to September 2020

1. Introduction

The Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) requires the Police and Crime Commissioner to approve treasury management semi-annual and annual reports.

The Police and Crime Commissioner's treasury management strategy for 2020/21 was formally adopted as part of its Capital Strategy on 17th March 2020 by the Commissioner following scrutiny by the Joint Audit Committee on the 9th March 2020. 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 risk remains central to the Police and Crime Commissioner's treasury management strategy.

Further information on the economic outlook and external context are attached in Appendix A.

2. Local Context

On 31st March 2020, the Police and Crime Commissioner had net investments of £15.5m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.20 Actual £m	2019-20 Benchmark £m
General Fund CFR	30.4	29.8
Less: *Other debt liabilities	(9.9)	(9.9)
Borrowing CFR	20.5	19.9
External borrowing	14.9	# 11.3
Internal borrowing	5.6	8.6
Less: Usable reserves	(25.2)	(18.8)
Plus: Working capital	4.1	0.2
Total investments	(15.5)	# (10.0)

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

to maintain minimum investment benchmark of £10m

Lower official interest rates have lowered the cost of short-term, temporary loans and investment returns from cash assets that can be used in lieu of borrowing. The Police and Crime Commissioner pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk.

The treasury management position on 30th September 2020 and the change over the six months is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.20 Balance £m	Movement £m	30.9.20 Balance £m	30.9.20 Rate %
Long-term borrowing	9.9	(0.3)	9.6	1.25
Short-term borrowing	5.0	(5.0)	0	0
Total borrowing	14.9	(5.3)	9.6	1.25
Long-term investments	0	0	0	0
Short-term investments	0	(17.7)	(17.7)	(0.01)
Cash and cash equivalents	(15.5)	1.5	(14.0)	(0.05)
Total investments	(15.5)	(16.2)	(31.7)	(0.03)
Net borrowing / (investments)	(0.6)	(21.5)	(22.1)	1.22

Cash flow is notoriously uneven throughout the financial year due to the contribution from the Home Office towards Police Pensions being paid in one lump sum in July (circa £25m). In order to provide some longer-term certainty and stability to the debt portfolio the Police and Crime Commissioner took advantage of the fall in external borrowing rates last year and borrowed £10m from the PWLB over a 20 year period. Short term borrowing of £5m was therefore only required for a 3 month period from the end of March.

3. Borrowing Update

On 9th October 2019 the PWLB raised the cost of certainty rate borrowing to 1.8% above UK gilt yields making it relatively expensive. Market alternatives are available, however the financial strength of individual authorities will be scrutinised by investors and commercial lenders.

The Chancellor’s March 2020 Budget statement included significant changes to Public Works Loan Board (PWLB) policy and launched a wide-ranging consultation on the PWLB’s future direction.

The consultation titled “Future Lending Terms” allows stakeholders to contribute to developing a system whereby PWLB loans can be made available at improved margins to support qualifying projects. It contains proposals to allow authorities that are not involved in “debt for yield” activity to borrow at lower rates as well as stopping local authorities using PWLB loans to buy commercial assets primarily for yield. The consultation also broaches the possibility of slowing, or stopping, individual authorities from borrowing large sums in specific circumstances.

The consultation closed on 31st July 2020 with the announcement and implementation of the revised lending terms expected in the latter part of this calendar year or early next year.

4. Borrowing Strategy during the period

At 30th September 2020 the Police and Crime Commissioner held £9.6m of loans, (a decrease of £5.3m to 31st March 2020), as part of its strategy for funding previous and current years’ capital programmes. Outstanding loans on 30th September are summarised in Table 3 below.

Table 3: Borrowing Position

	31.3.20 Balance £m	Net Movement £m	30.9.20 Balance £m	30.9.20 Weighted Average Rate %	30.9.20 Weighted Average Maturity (years)
Public Works Loan Board	9.9	(0.3)	9.6	1.25	18.9
Local authorities (short-term)	5.0	(5.0)	0.0	-	-
Total borrowing	14.9	(5.3)	9.6	1.25	18.9

The Police and Crime Commissioner's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Police and Crime Commissioner's long-term plans change being a secondary objective.

The Police and Crime Commissioner has an increasing CFR due to the capital programme and an estimated borrowing requirement as determined by the Liability Benchmark which also takes into account usable reserves and working capital. The Police and Crime Commissioner has borrowed a total of £10m longer-term fixed rate loans, details of which are below. These loans provide some longer-term certainty and stability to the debt portfolio.

Long-dated Loans borrowed:	Amount £m	Rate %	Period (Years)
PWLB EIP Loan 1 dated 16.8.19	5.00	1.25	20
PWLB EIP Loan 2 dated 3.10.19	5.00	1.25	20

PWLB funding margins have lurched quite substantially and there remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields plus 0.80%, i.e. the PWLB HRA borrowing rate. The Police and Crime Commissioner will evaluate and pursue these lower cost solutions and opportunities with its advisor Arlingclose.

5. Treasury Investment Activity

The Police and Crime Commissioner holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the six-month period, the Police and Crime Commissioner's investment balances ranged between £8.8 and £42.2 million due to timing differences between income and expenditure. This breached the voluntary minimum of cash available of £10.0 million for 5 days (from 22/05/2020 including a bank holiday weekend) and for 8 days (from 22/06/2020 including a weekend), which was done with the prior knowledge that balances would recover to over £10.0 million. Consideration is ongoing regarding amending the wording in the 2021-22 Capital Strategy to formalise the policy around minimal breaches of the voluntary liquidity indicator.

The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

	31.3.20 Balance £m	Net Movement £m	30.9.20 Balance £m	30.9.20 Rate of Return %	30.9.20 Weighted Average Maturity days
Banks & building societies (unsecured) – including 31 day notice account with HSBC	15.5	(1.5)	14.0	0.05	0.8
Government (incl. local authorities)	0.0	17.7	17.7	0.01	17.6
Total investments	15.5	16.2	31.7	0.03	10.2

Both the CIPFA Code and government guidance require the Police and Crime Commissioner to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum 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.

Continued downward pressure on short-dated cash rate brought net returns on sterling low volatility net asset value money market funds (LVNAV MMFs) close to zero even after some managers have temporarily lowered their fees. At this stage net negative returns are not the central case of most MMF managers over the short-term, and fee waivers should maintain positive net yields, but the possibility cannot be ruled out.

On 25th September the overnight, 1- and 2-week deposit rates on Debt Management Account Deposit Facility (DMADF) deposits dropped below zero percent to -0.03%, the rate was 0% for 3-week deposits and 0.01% for longer maturities.

The return on Money Market Funds net of fees also fell over the six months and for many funds net returns range between 0% and 0.1%. In many instances, the fund management companies have temporarily lowered or waived fees to maintain a positive net return.

In the light of the pandemic crisis and the likelihood of unexpected calls on cash flow, the Police and Crime Commissioner kept more cash available at very short notice than is normal. Liquid cash was diversified over several counterparties and/or Money Market Funds to manage both credit and liquidity risks.

The progression of risk and return metrics are shown in the extracts from Arlingclose’s quarterly investment benchmarking in Table 5 below.

Table 5: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2020	4.33	AA-	100%	16	0.55%
30.09.2020	3.86	AA-	44%	19	0.03%
Similar LAs	3.86	AA-	57%	44	0.26%
All LAs	4.16	AA-	64%	18	0.90%

The corporate world is still adjusting to the economic shock, with probably more to come, and it is still too early to tell which companies will withstand the economic damage in the short- to medium-term or which will choose to conserve cash in very difficult economic conditions simply to survive.

Investment income in the Police and Crime Commissioner’s 2020/21 budget was set against a very different economic backdrop. Bank Rate, which was 0.75% in January/February 2020, now stands at 0.1%. Interest earned from short-dated money market investments will be significantly lower. Therefore the Police and Crime Commissioner expects to receive significantly lower income from its cash and short-dated money market investments than it did in 2019/20 and earlier years. Dividends and income paid will ultimately depend on many factors including but not limited to the duration of COVID-19 and the extent of its economic impact, the fund’s sectoral asset allocation, securities held/bought/sold and, in the case of equities, the enforced or voluntary dividend cuts or deferral. The current projection for investment income is down to £5k from £100k originally budgeted.

The Police and Crime Commissioner will also be reviewing its expectations for investment income in 2021/22.

6. Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the quarter complied fully with the CIPFA Code of Practice and the Police and Crime Commissioner’s approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 8 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 7 below.

Table 7: Debt Limits

	H1 Maximum £m	30.9.20 Actual £m	2020/21 Operational Boundary £m	2020/21 Authorised Limit £m	Complied? Yes/No
Borrowing	14.9	9.6	23.8	25.8	Yes
PFI and Finance Leases	9.1	9.1	9.1	9.1	Yes
Total debt	24.0	18.7	32.9	34.9	Yes

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Table 8: Investment Limits

	H1 Maximum £m	30.9.20 Actual £m	2020/21 Limit £m	Complied? Yes/No
Any single organisation, except the UK Government	4.0	4.0	7.0	Yes
HSBC (being the Commissioner’s bankers)	19.2	9.9	10.0	No*

*a higher balance was purposely held in the current account to ensure sufficient liquidity over April and May during the COVID 19 lockdown period.

7. Treasury Management Indicators

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

Security: The Police and Crime Commissioner has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	30.9.20 Actual	2020/21 Minimum Criteria	Complied?
Portfolio average credit rating	AA-	A-	Yes

Liquidity: The Police and Crime Commissioner has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount invested set as a minimum of £10m.

	30.9.20 Actual	2020/21 Target	Complied?
Cash available overnight	£9.9m		
Cash available on short term investment within 60 days	£21.8m	£10m	Yes*
Total cash available	£31.7m	£10m	

* There was a planned breach of cash invested on two occasions

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 all borrowing were:

	30.9.20 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	100%	100%	0%	Yes
12 months and within 24 months	0%	100%	0%	Yes
24 months and within 5 years	0%	100%	0%	Yes
5 years and within 10 years	0%	100%	0%	Yes
10 years and above	0%	100%	0%	Yes

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.

Principal Sums Invested for Periods Longer than a year: 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 limits on the long-term principal sum invested to final maturities beyond the period end were:

	2020/21	2021/22	2022/23
Actual principal invested beyond year end	£0m	£0m	£0m
Limit on principal invested beyond year end	£5m	£5m	£5m
Complied?	Yes	Yes	Yes

8. Other

IFRS 16: The implementation of the new IFRS 16 Leases accounting standard has been delayed until 2021/22.

External Context

Economic background: The spread of the coronavirus pandemic dominated during the period as countries around the world tried to manage the delicate balancing act of containing transmission of the virus while easing lockdown measures and getting their populations and economies working again. After a relatively quiet few months of Brexit news it was back in the headlines towards the end of the period as agreement between the UK and EU on a trade deal was looking difficult and the government came under fire, both at home and abroad, as it tried to pass the Internal Market Bill which could override the agreed Brexit deal, potentially breaking international law.

The Bank of England (BoE) maintained Bank Rate at 0.1% and its Quantitative Easing programme at £745 billion. The potential use of negative interest rates was not ruled in or out by BoE policymakers, but then a comment in the September Monetary Policy Committee meeting minutes that the central bank was having a harder look at its potential impact than was previously suggested took financial markets by surprise.

Government initiatives continued to support the economy, with the furlough (Coronavirus Job Retention) scheme keeping almost 10 million workers in jobs, grants and loans to businesses and 100 million discounted meals being claimed during the 'Eat Out to Help Out' (EOHO) offer.

GDP growth contracted by a massive 19.8% (revised from first estimate -20.4%) in Q2 2020 (Apr-Jun) according to the Office for National Statistics, pushing the annual growth rate down to -21.5% (first estimate -21.7%). Construction output fell by 35% over the quarter, services output by almost 20% and production by 16%. Recent monthly estimates of GDP have shown growth recovering, with the latest rise of almost 7% in July, but even with the two previous monthly gains this still only makes up half of the lost output.

The headline rate of UK Consumer Price Inflation (CPI) fell to 0.2% year/year in August, further below the Bank of England's 2% target, with the largest downward contribution coming from restaurants and hotels influenced by the EOHO scheme. The Office for National Statistics' preferred measure of CPIH which includes owner-occupied housing was 0.5% y/y.

In the three months to July, labour market data showed the unemployment rate increased from 3.9% to 4.1% while wages fell 1% for total pay in nominal terms (0.2% regular pay) and was down 1.8% in real terms (-0.7% regular pay). Despite only a modest rise in unemployment over the period, the rate is expected to pick up sharply in the coming months as the furlough scheme ends in October. On the back of this, the BoE has forecast unemployment could hit a peak of between 8% and 9%.

The US economy contracted at an annualised rate of 31.7% in Q2 2020 (Apr-Jun). The Federal Reserve maintained the Fed Funds rate at between 0% and 0.25% but announced a change to its inflation targeting regime. The move is to a more flexible form of average targeting which will allow the central bank to maintain interest rates at low levels for an extended period to support the economy even when inflation is 'moderately' above the 2% average target, particularly given it has been below target for most of the last decade.

The European Central Bank maintained its base rate at 0% and deposit rate at -0.5%.

Financial markets: Equity markets continued their recovery, with the Dow Jones climbing to not far off its pre-crisis peak, albeit that performance being driven by a handful of technology stocks including Apple and Microsoft, with the former up 75% in 2020. The FTSE 100 and 250 have made up around half of their losses at the height of the pandemic in March. Central bank and government stimulus packages continue to support asset prices, but volatility remains.

Ultra-low interest rates and the flight to quality continued, keeping gilts yields low but volatile over the period with the yield on some short-dated UK government bonds remaining negative. The 5-year UK benchmark gilt yield started and ended the June–September period at -0.06% (with much volatility in between). The 10-year gilt yield also bounced around, starting at 0.21% and ending at 0.23% over the same period, while the 20-year rose from 0.56% to 0.74%. 1-month, 3-month and 12-month bid rates averaged 0.02%, 0.06% and 0.23% respectively over the period.

At the end of September, the yield on 2-year US treasuries was around 0.13% while that on 10-year treasuries was 0.69%. German bund yields remain negative across most maturities.

Credit review: Credit default swap spreads eased over most of the period but then started to tick up again through September. In the UK, the spreads between ringfenced and non-ringfenced entities remains, except for retail bank Santander UK whose CDS spread remained elevated and the highest of those we monitor at 85bps while Standard Chartered was the lowest at 41bps. The ringfenced banks are currently trading between 45 and 50bps.

After a busy second quarter of the calendar year, the subsequent period has been relatively quiet for credit changes for the names on our counterparty list. Fitch assigned a AA- deposit rating to Netherlands lender Rabobank with a negative outlook and prior to that, while not related to our counterparty list but quite significant, revised the outlook on the US economy to Negative from Stable while also affirming its AAA rating.

There continues to remain much uncertainty around the extent of the losses banks and building societies will suffer due to the impact from the coronavirus pandemic and for the UK institutions on our list there is the added complication of the end of the Brexit transition period on 31st December and what a trade deal may or may not look like. The institutions on Arlingclose’s counterparty list and recommended duration remain under constant review, but at the end of the period no changes had been made to the names on the list or the recommended maximum duration of 35 days.

Arlingclose’s Outlook for the remainder of 2020/21

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Official Bank Rate													
Upside risk	0.00	0.00	0.00	0.15	0.15	0.15	0.15	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Downside risk	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50

The medium-term global economic outlook is weak. While the strict initial lockdown restrictions have eased, coronavirus has not been suppressed and second waves have prompted more restrictive measures on a regional and national basis. This ebb and flow of restrictions on normal activity will continue for the foreseeable future, at least until an effective vaccine is produced and importantly, distributed.

The global central bank and government responses have been significant and are in many cases on-going, maintaining more stable financial, economic and social conditions than otherwise. This has supported a sizeable economic recovery in Q3.

However, the scale of the economic shock to demand, on-going social distancing measures, regional lock downs and reduced fiscal support will mean that the subsequent pace of recovery is limited. Early signs of this are already evident in UK monthly GDP and PMI data, even before the latest restrictions.

This situation will result in central banks maintaining low interest rates for the medium term. In the UK, Brexit is a further complication. Bank Rate is therefore likely to remain at low levels for a

very long time, with a distinct possibility of being cut to zero. Money markets have priced in a chance of negative Bank Rate.

Longer-term yields will also remain depressed, anchored by low central bank policy rates, expectations for potentially even lower rates and insipid inflation expectations. There is a chance yields may follow a slightly different path in the medium term, depending on investor perceptions of growth and inflation, or if the UK leaves the EU without a deal.

Arlingclose expects Bank Rate to remain at the current 0.10% level and additional monetary loosening in the future most likely through further financial asset purchases (QE). While Arlingclose's central case for Bank Rate is no change from the current level of 0.1%, further cuts to Bank Rate to zero or even into negative territory cannot be completely ruled out.

Gilt yields are expected to remain very low in the medium term. Shorter-term gilt yields are currently negative and will remain around zero or below until either the Bank of England expressly rules out negative Bank Rate or growth/inflation prospects improve.

Downside risks remain in the near term, as the government dials down its fiscal support measures, reacts to the risk of a further escalation in infection rates and the Brexit transition period comes to an end.

Mr Arfon Jones and Mr Carl Foulkes
Police and Crime Commissioner and Chief Constable
Office for the Police and Crime Commissioner
North Wales Police
Glan Y Don
Abergele Road
Colwyn Bay
LL29 8AW

Reference: 2162A2020-21

Date issued: 1 December 2020

Dear Arfon and Carl

Annual Audit Letter – Police and Crime Commissioner for North Wales and Chief Constable of North Wales Police 2019-20

This letter summarises the key messages 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 (PCC) and Chief Constable (CC) complied with their responsibilities relating to financial reporting and use of resources

It is the PCC and CC's responsibility to:

- put systems of internal control in place to ensure the regularity and lawfulness of transactions and to ensure that its 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 its use of resources.

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.

Police bodies in Wales prepare their accounting 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. On 7 October 2020 I issued an unqualified audit opinion on the accounting statements for both the PCC and CC confirming that they present a true and fair view of each body's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Joint Audit Committee in my Audit of Financial Statements report on 5 October 2020.

I am satisfied that the PCC and CC have appropriate arrangements in place to secure economy, efficiency and effectiveness in its 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 PCC's and the CC's systems of internal control, as reported in the Annual Governance Statements;
- an evaluation of the PCC's and CC's systems based on a self-assessment completed by officers;
- the results of previous work carried out by the Auditor General;
- the results of the work of other external review bodies, e.g. HMIC, 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 PCC's and the CC'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.

I am satisfied given the work I have undertaken that the PCC and CC have appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

I issued a certificate confirming that the audit of the accounts of the PCC and CC have been completed on 7 October 2020

I received no electors' questions or objections in relation to the 2019-20 audit. Having given an audit opinion on the financial statements and concluded on the PCC' and the CC'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 2019-20 is currently expected to be in line with the agreed fee set out in the Annual Audit Plan.

Yours sincerely



Derwyn Owen

For and on behalf of the Auditor General for Wales

cc Kate Jackson, Chief Finance Officer

Seb Phillips, Director of Finance and Resources

Appendix 1

Criteria to assess arrangements for securing economy, efficiency and effectiveness in his 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 his 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?

Corporate performance management and financial management arrangements	Questions on arrangements
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 his significant business risks?
Managing financial and other resources	Has the Commissioner/Chief Constable put in place arrangements to evaluate and improve the value for money he achieves in his use of resources?
	Has the Commissioner/Chief Constable put in place arrangements to ensure that his spending matches his 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?

Corporate performance management and financial management arrangements	Questions on arrangements
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 his business?



Joint Audit Committee

Meeting Date: 10 December 2020

Title:	Request for Support on Data Analytics
Author:	Audit Wales
Purpose of the report:	To request access to data on a routine basis
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input checked="" type="checkbox"/> X Discussion <input type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> • Audit Wales is making progress with data analytics • Audit Wales is unable to access our systems when not on site • Audit Wales is asking for ledger data to be provided to them automatically on a routine basis
Recommendations:	JAC members to consider this request, and recommend to management whether North Wales Police should provide this information.
Risk register impact:	Audit Wales can request any information relevant to the audit, and this must be provided on request. This proposal would involve providing data proactively.
Assurance implications:	Audit Wales provides the external audit service for the PCC and Chief Constable. This would assist in their task.
Equality Impact:	None
Information exempt from disclosure:	Some data on our ledger may be exempt from publication under FOI. Therefore, the information would need to be transferred and accessed securely.

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To: Chief Executives
Directors of Finance
Heads of IT

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Via email

Reference: AC/219/caf

Date issued: 11 November 2020

Dear Colleague

Request for support on data analytics

I am writing to ask for your support as we modernise our work, with the aim of securing benefits for Audit Wales and also for the bodies we audit.

In our increasingly digital world, data is becoming a hugely important enabler for us, as it is for every organisation. As such, we have bold ambitions to transform the way we use data.

Our Data Analytics team has begun to make real progress, including:

- Publishing interactive data tools as a new type of product from our audits. These data tools add value to our work by making better use of the data we have collected and by generating more insightful analysis for exploration by the public, politicians, press and public bodies.
- Creating bespoke apps to automate aspects of our work. These apps have considerable potential to streamline our work, creating efficiencies for Audit Wales but also for the bodies we audit, mainly through eliminating the repetitive and time-consuming work associated with data collection and transfer.
- The team has a specific remit to collaborate with other public bodies. We have held numerous 'show and tell' sessions with other bodies, to talk about our new approaches and share our learning so far. We have also shared training materials that we have used to upskill our data analytics team. Please contact the team at data.analytics@audit.wales if you want to know more.

I am delighted with what we have achieved so far but we can do so much more, as set out in the Appendix to this letter.

The next critical step for us is to secure routine data downloads from the principle financial systems of the bodies we audit. This is why I am writing to you. Historically, our data requests have been ad hoc, and dependent on the area of testing being undertaken by the auditor. This can be onerous for your officers, and inefficient for my audit teams. Instead, we are now looking to routinely request data downloads, and here are the specific details of what I am asking for:

- Initially we will request a full download of your general ledger data for 2019-20 financial year for comparative purposes. We will then request downloads of your general ledger data for the 2020-21 financial year at interim and final audit stage. In future years, we may request this data on a quarterly or even monthly basis. We will also move on to requesting data from other key financial systems such as payroll and fixed assets.
- I would be grateful if you could convey your in-principle support to your Directors of Finance and Heads of IT, whom we are likely to speak with directly about accessing your organisation's data.
- We have invested in a Data Analytics Storage Solution based on Amazon Web Services' workspaces, which will underpin all of our future work on data analytics. This safe and secure environment will allow us to store and work with large datasets as well as sensitive data. We will work with you to determine the best way to transfer your data to us, which may be through the use of Objective Connect (an online transfer portal) or possibly via a specialist third party (that can directly link to your financial system).

In the medium term, we hope this new approach will save everyone time and effort by virtually eliminating the current data request process, which is sometimes protracted and repetitive. But more than that, these routine data downloads are a major steppingstone towards a higher-quality audit approach, based on a significantly larger evidence base, and which produces greater assurance and insight for organisations like yours.

I am hugely excited about the future for data analytics at Audit Wales so I would be more than happy to talk to you directly about this should you want to. Thank you in advance for your support and please don't hesitate to get in touch if you have any questions or concerns.

Yours sincerely



ADRIAN CROMPTON
Auditor General for Wales

Appendix: Details of our future vision for data analytics

Our Long-Term Vision for data analytics sets out a deliberately ambitious plan for the future, including:

- Streams of live data from public bodies allowing us to analyse performance and risks in real time.
- Use of machine learning and artificial intelligence to automatically cleanse data and flag high-risk issues for further consideration by auditors.
- Automatic linking and matching of data to detect fraud and anomalies.
- A move towards predictive analytics, to help us be more forward-looking in our commentary and recommendations.

Achieving this vision will be difficult and will take time but it is essential that we push ourselves.

A key change commitment within my Annual Plan 2020-21 is to improve how we “source, acquire and analyse data”. We are determined that this will lead to further improvements in the quality and efficiency of our work, and allow us to provide earlier, more insightful analysis to organisations like yours.

One of our most important projects is called Analytics Assisted Audit. This seeks to place data at the centre of our accounts work. There are four stages which underpin this project:

- **Data ingestion.** This is the most difficult stage. We need to be able to efficiently and securely transfer/ingest data from public bodies. However, public bodies have different systems. For example, Welsh public bodies use over 15 different financial ledger systems, excluding those used in support for HR, payroll, assets, schools, primary care, social care, etc.
- **Processing.** Once we have the data, we need to process it into a format that it can be easily read by our applications whilst ensuring its integrity. This will enable us to reproduce the trial balance from the source data, reconcile it to the accounts and automate analytical review. Auditors will have access to data at their fingertips, enabling them to drill down to transaction level data.
- **Testing.** We have developed applications to carry out key audit tests, freeing up our auditors to evaluate the outcomes and evidence their judgement. Examples include risk assessing transactions, selecting audit samples, linking to external data sources to independently verify transactions and balances (e.g. Land Registry, Companies House).
- **Visualisation.** Visualising the results of the data analysis will pave the way for more effective, interactive reporting of our audit work which we can share with our audited bodies.

The data downloads we will request from your financial systems will primarily be used within our Analytics Assisted Audit approach. We hope this approach will lead to more efficient audits, that have a more comprehensive evidence base, allowing us to create new insights and additional value to the bodies we audit.



Joint Audit Committee

Meeting Date: 10th December 2020

Title:	Legal Report
Author:	Phil Kenyon, Force Solicitor
Purpose of the report:	To provide the Joint Audit Committee with an overview of legal activity within the Force. The agenda item encompasses a 2 page Executive Summary and also a detailed report which consolidates the information provided to the Chief Constable and Police and Crime Commissioner.
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<p>The report summarises key legal activity regarding:</p> <ul style="list-style-type: none"> • A report of the civil claims activity for the Chief Constable and the Police and Crime Commissioner over the previous 6 months.(Open) • A report on Contract & Procurement activity for the Chief Constable and the Police and Crime Commissioner for the previous 6 months and lesson learned from civil claims in the previous 6 months <p>A 2 page Executive summary is provided along with the 12 page Civil claims report (Open) and the 8 page Contract, Procurement and Civil Claims lessons learned report (Closed)</p>
Recommendations:	To review the attached reports and identify any areas that warrant further scrutiny.
Risk Register Impact:	None.
Assurance Implications:	This report is directly relevant to providing Assurance in in the area of Contract and Procurement compliance.
Equality Impact:	None
Information Exempt from Disclosure:	The information is divided into 2 reports. One is closed and the other is open

**LEGAL AND PROCUREMENT DOCUMENT
JOINT AUDIT COMMITTEE
OPEN SESSION**

Civil Claims and Employment cases for the period 1st April – 30th September 2020

The Assistant Force Solicitor, Sarah Hughes handles all Public Liability and Employers' Liability civil claims issued against North Wales Police.

INTRODUCTION

The purpose of this report is to provide:

- 1) details of the number of Public Liability and Employers' Liability claims made against the Force in each financial year.
- 2) provide a view of any emerging trends.
- 3) provide details of monies paid out in settlement in each financial year.

BACKGROUND

The Civil Procedure Rules (CPR) apply to the conduct of civil cases in England and Wales. Under the Pre-Action Protocol set out in the Rules any prospective claimant is required to serve a letter of claim upon North Wales Police as respondent setting out their claim in full. Accordingly, all claims received by North Wales Police usually comprise a letter of claim alleging a head of damage and requesting compensation. It is a breach of the procedural rules, for proceedings to be issued outside the rules of the pre-action protocol. However it is not uncommon.

Employers' Liability Claims

Employers' Liability claims are those received from employees of the Force (officers and staff) and comprise Personal Injury claims arising out of loss or injury sustained during the course of duty or employment.

Public Liability Claims

Public Liability claims are claims submitted by members of the public. Such claims can comprise allegations of unlawful arrest, false imprisonment, unlawful use of force, damage to property and malicious prosecution.

Vehicle Claims

Vehicle Accident claims are handled by our insurers and our Fleet Department. Any litigated matters are overseen by the Force Solicitor as from 1st March 2013. Data held in relation to such claims is held by the Fleet Department.

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Legal Department Resilience

Employers' Liability

Our Insurers handle such claims which are overseen by the Force Solicitor. Some claims are outsourced by Zurich and Gallagher Bassett in the event they become litigated. However all incidents which occur after 1st April 2017 will be dealt with in-house by the Legal Department. This has been agreed with our insurers.

Public Liability

All claims are dealt with and managed by the Force Solicitor. A minority of these claims are outsourced in the event they become litigated or involve a specialist input. All are overseen by the Force Solicitor.

D E T A I L

From 1st April – 30th September 2020 29 letters of claim were received in the Legal Department of which 4 were Employers' Liability claim and 25 were Public Liability claims.

The table below, where marked red, shows the total number of claims received during the period 1st April – 30th September 2020. Of the total claims received in the last 6 months proceedings have been issued in respect of 2 of these claims.

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TOTAL NUMBER OF CLAIMS RECEIVED

Year	Employers' Liability	Public Liability	Total
2014/2015	3	40	43
2015/2016	6	33	39
2016/2017	3	50	53
2017/2018	5	52	57
2018/2019	5	49	54
2019/2020	7	41	48
2020/2021	4	25	29

**Details of Public Liability claims received during
1st April – 30th September 2020 following on from a complaint**

Claims received following a complaint	Complaint results	Civil Claim results
5	1 complaint still ongoing 4 complaints not upheld	3 claims still being investigated 1 claim defended 1 claim additional documentation requested

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TOTAL NUMBER OF LIVE CLAIMS

There are currently 55 live on-going claims being dealt with in the Legal Department. It must be noted that incidents may have occurred in previous years.

The table below shows the number of 'active' claims set against the actual incident year. (An active claim is a claim that remains live and is not yet determined).

Year of Incident	Employers' Liability	Public Liability
1982/1983	0	1
1994/1995	0	1
1999/2000	0	1
2012/2013	0	1
2013/2014	1	2
2014/2015	1	1
2015/2016	0	2
2016/2017	0	4
2017/2018	1	3
2018/2019	0	7
2019/2020	5	16
2020/2021	2	6
TOTAL	10	45
TOTAL NUMBER OF LIVE EMPLOYERS' AND PUBLIC LIABILITY CLAIMS:		55

**LEGAL AND PROCUREMENT DOCUMENT
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CURRENT POSITION ON LIVE CIVIL CLAIMS

	Employers' Liability	Public Liability
Proceedings issued	1	11
Claims successfully rebutted but not yet closed	4	8
Claims not yet resolved	3	22
Claims still being investigated/complaints ongoing	3	15

EMPLOYERS' LIABILITY CLAIMS

The table below demonstrates the categories of Employers' Liability claims received during the last six years.

Type of Claim Received	15/16	16/17	17/18	18/19	19/20	20/21
Slips/Trips/Falls	2	3	1	2	5	3
Stress/Bullying	0	0	0	0	0	0
RSI	0	0	0	0	0	0
Hearing Loss	0	0	0	0	0	0
Injury whilst on training course	4	0	1	3	0	0
Other	2	3	2	0	2	1
Injuries to finger/hand	0	0	1	0	0	0
Total	8	6	5	5	7	4

Commentary

The most common type of claims received during the above years were slips, trips and falls.

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PUBLIC LIABILITY CLAIMS

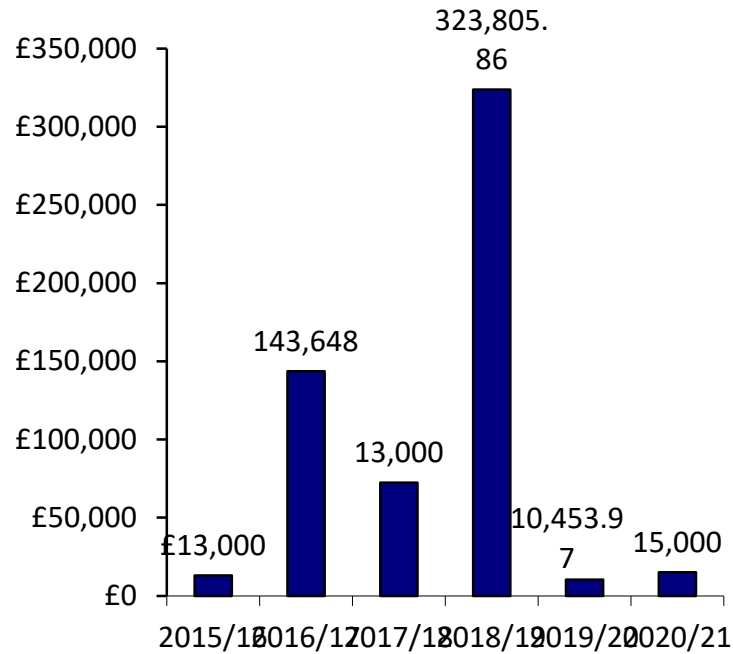
The table below demonstrates the most frequently claimed heads of damage of Public Liability claims received during the last six years. There may be one or more heads of damage in one claim hence the figures do not represent the number of claims received as per Table 1 (previous).

Type of Claim Received	15/16	16/17	17/18	18/19	19/20	20/21
Assault/Battery	5	11	5	4	3	5
Consequential Loss	3	1	3	0	2	1
False Imprisonment	10	18	8	14	11	7
Malicious Prosecution	2	5	2	0	1	1
Negligence	4	4	4	6	11	3
Other	15	24	23	13	12	10
Property Damage/seizure	9	17	21	24	18	7
Trespass to Person	0	0	3	2	2	2
Trespass to Property	3	6	1	4	2	2
Unlawful Arrest	8	11	4	2	6	5
Total	59	97	74	69	68	43

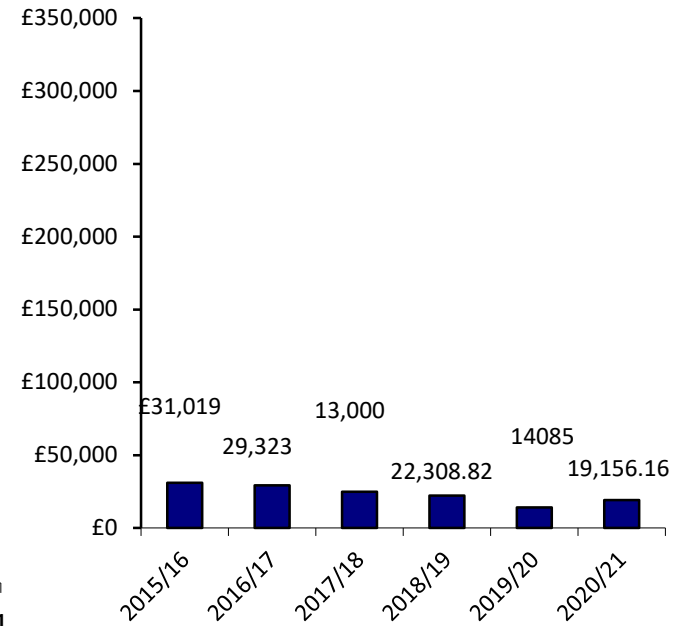
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Compensation awarded to Claimants between 1st April – 30th September 2020

Employers' Liability Claims



Public Liability Claims



**LEGAL AND PROCUREMENT DOCUMENT
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Costs paid to Claimants' Solicitors in relation to settled claims between 1st April – 30th September 2020

Employers' Liability Claims	Public Liability Claims
£14,247.00	£81,500.00

North Wales Police's legal costs in relation to settled civil claims finalised between 1st April – 30th September 2020

Employers' Liability Claims	Public Liability Claims
£0.00	£28,957.50

CRU and NHS Payments

Employers' Liability Claims	Public Liability Claims
£0.00	£0.00

**LEGAL AND PROCUREMENT DOCUMENT
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Breakdown of claims settled between 1st April - 30th September 2020

Category	Claim	Number of claims settled
Employers' Liability	Personal injury	1

Category	Claim	Number of claims settled
Public Liability	False imprisonment	1
Public Liability	Assault	1
Public Liability	Negligence	2
Public Liability	Breach of Human Rights Act	5

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TOTAL NUMBER OF CIVIL CLAIMS CLOSED

The table below provides details of the number of claims which have been 'closed' since 2015. The table provides details of claims settled and where no settlement has been paid out together with the total for each year.

1st April – 31st March	Settled Claims	No settlements paid	Total closed
2015/2016	13	40	53
2016/2017	10	24	34
2017/2018	20	42	62
2018/2019	15	53	68
2019/2020	16	39	55
2020/2021	10	18	28

As you will see the number of claims “rebutted” where no monies have been paid out usually exceeds those where monies have been paid. These figures reflect the robust stance taken by the Legal Department in relation to the defence of civil claims generally.

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Number of Civil Claims Outsourced

Employers' Liability Claims

Year	Number of Claims Received	Number of Claims Outsourced
2015/2016	8	1
2016/2017	6	1
2017/2018	5	0
2018/2019	5	0
2019/2020	7	0
2020/2021	4	0

Public Liability Claims

Year	Number of Claims Received	Number of Claims Outsourced
2015/2016	33	3
2016/2017	50	0
2017/2018	52	2
2018/2019	49	0
2019/2020	41	0
2020/2021	25	0

**LEGAL AND PROCUREMENT DOCUMENT
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Employment Matters

Details of Live Employment Claims

Received	Details of Live Claims
2015/2016	95 x Age Discrimination (Pension) These claims are being dealt with nationally and it is anticipated that the Home Office will amend the Regulations to remove the discrimination.
2018/2019	1 x Race Discrimination Ongoing.
2019/2020	1 Indirect Sex Discrimination and Victimisation Ongoing.
2019/2020	1 x Victimisation, Disability Discrimination and Harassment Ongoing.
2020/2021	1 x Disability Discrimination Ongoing.



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North Wales Police Ethics Committee

Kerrie.Ambrose@nthwales.pnn.police.uk

Greg.george@nthwales.pnn.police.uk

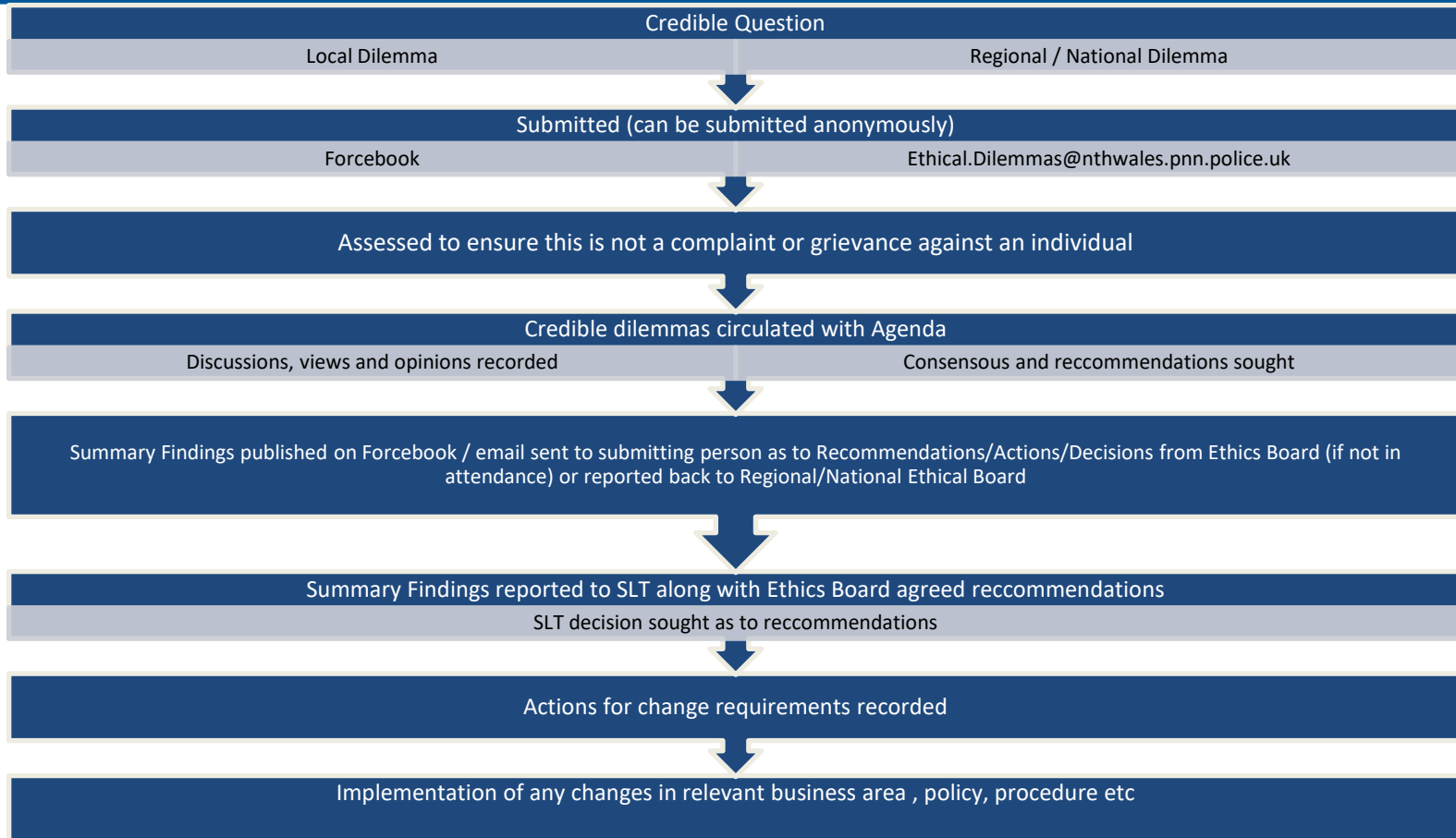


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- **Current way the Ethics Committee works**
- **Linkage into Regional and National Ethics**
- **New External Chair Person to replace K. Ambrose**
- **Where we are heading**



Current Ethics Dilemmas process flow

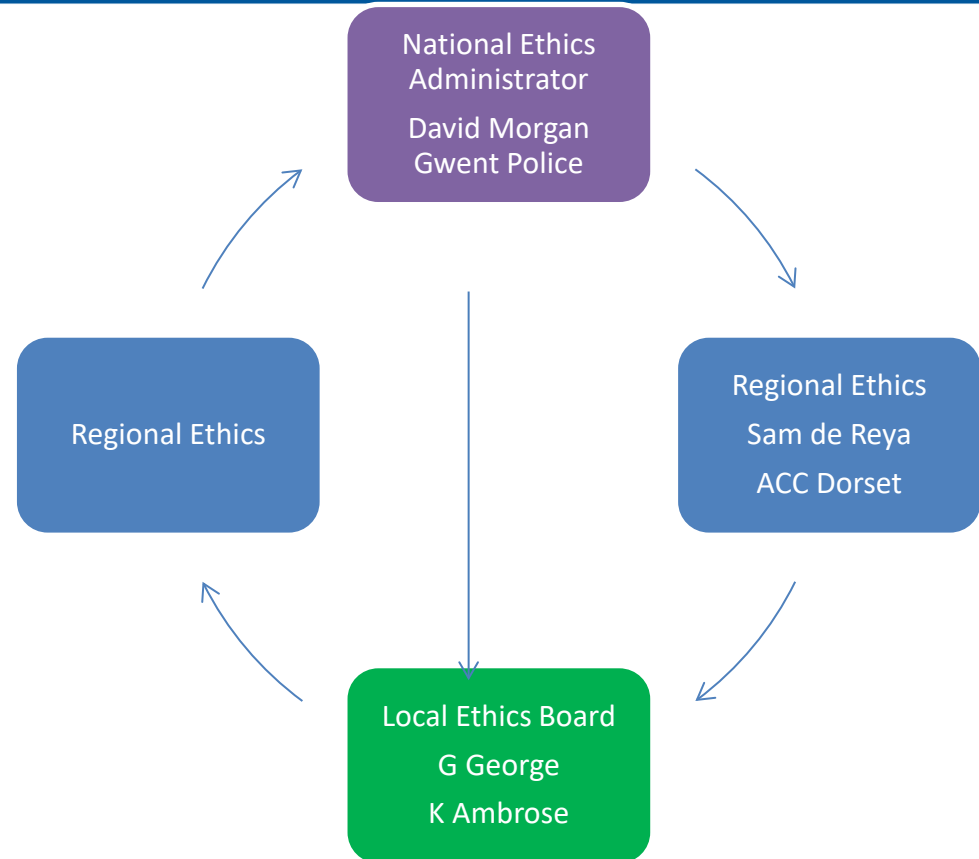




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National and Regional link in

- Local Ethics committee Board meet quarterly
- National Ethical discussions passed to regional and then local forces as appropriate
- Local passes to Regional as required
- K Ambrose , G George attend Regional Ethics quarterly.





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NWP Ethics Board

- **Recent appointment of New Independent Chair [Dr Jacquie Don](#) Lecturer and HE Curriculum Coordinator Health and Care, Coleg Llandrillo**
 - **Vetting cleared and Dr Don has agreed to chair next Ethics Committee on 19th Jan 2021**
- **Current chair K. Ambrose has been working together with Dr Don and G George reviewing the way the committee currently operates and discussing improvement ideas.**
 - **refreshing TOR and broadening external committee members**



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Continuous Improvement Initiatives

Working with Jacquie to implement improvements going forward

- ❖ New TOR
- ❖ Increase membership , inclusivity , diversity and varied opinions from outside police force
- ❖ Improved outcomes
- ❖ Improved process flow - close feedback loop
- ❖ Increased accountability
- ❖ Inclusion of committee in governance check for Algorithm/AI assessments in NWP



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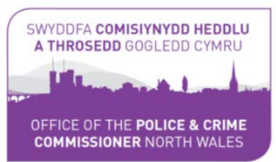
Questions ?



Joint Audit Committee

Meeting Date: 10/12/2020

Title:	Joint Governance Board
Author:	Kate Jackson, Chief Finance Officer
Purpose of the report:	Update
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> X Information
Summary / Key Points:	<ul style="list-style-type: none"> • Implementation of the Governance Review recommendations continues, with the strategic boards in place • The lower level boards are now being implemented, and it is anticipated that these will all be operational by the end of the financial year. • The work programme was updated to include a review of the Joint Audit Committee terms of reference. • The use of the governance framework spreadsheet to collate information to support the Annual Governance Statement was discussed. It was agreed to consider alternative methods of collecting this information.
Recommendations:	<ul style="list-style-type: none"> • For members of the Joint Audit Committee to note the work of the Joint Governance Board. • For members of the Joint Audit Committee to be aware that they have a standing invitation to attend Joint Governance Board, and that meeting papers and minutes will be provided to them on request.
Risk register impact:	The way risk is managed is integral to good governance and is considered within the Governance Framework
Assurance implications:	<p>The Joint Governance Board is to oversee changes to assurance arrangements following the Governance Review undertaken in 2019/20.</p> <p>The Joint Governance Board is to oversee any future changes to the Manual of Governance.</p>
Equality Impact:	None
Information exempt from disclosure:	None



JOINT AUDIT COMMITTEE

10 December 2020

Joint Governance Board

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



1. Background

- 1.1. A Joint Governance Board was originally formed in 2014 to document the governance arrangements in both the Office of the Police and Crime Commissioner and North Wales Police Force.
- 1.2. The Board meets four times each year, and a work programme has been prepared.
- 1.3. Members of the Joint Audit Committee have a standing invitation to attend the meeting; one member of the Committee attended on 5 November 2020.

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.

3. Work of the Joint Governance Board

- 3.1. At the meeting held on 5 November 2020, the following were discussed:

3.1.1. Effectiveness of the new governance structure

- The Head of Business Intelligence advised that the strategic level boards are now all in place.
- The lower level boards are now being implemented, and it is anticipated that they will all be in place by the end of the financial year.
- The Head of Business Intelligence will provide information to help prepare the Annual Governance Statements by the end of May 2020; a full report assessing the the new arrangements, including the efficiency and effectiveness of the governance structure will be considered by the Joint Governance Board in summer 2021.

- Discussion focussed on the timeliness of the assessment of the new structure and whether this could be brought forwards or undertaken on an interim basis by the Joint Governance Board. However, the result of that discussion was that the proposed timescales for assessing the new governance structure would remain as summer 2021. However, it was decided that the review of effectiveness of the governance structure will be discussed at the spring meeting from 2022 onwards.
- No meetings were commissioned or decommissioned since the previous Joint Governance Board

3.2.2 Review of Internal and External Audit recommendations

It was noted that there had been progress on the implementation of internal audit recommendations since the report had been prepared. The Director of Finance and Resources gave an update to the meeting highlighting the audit recommendations relating to Governance or that had been subject of discussion at the most recent Joint Audit Committee meeting.

3.2.3 Client Briefing Notes

The Director of Finance and Resources informed the Board that the system in place continued to function well, with all client briefing notes being reviewed and a management response being recorded.

There were no outstanding Client Briefing Notes at the time of the meeting.

3.2.4 Assurance Update

The Head of Business Intelligence provided an assurance update.

The Policy Library is being tidied up, with existing documents being reviewed to assess whether they should be policies or guidance.

Risk training continues to be developed, and the risk appetite is currently in the process of undergoing its annual review to ensure the organisation is on the right track.

Business continuity plans are to be reviewed, taking into account the learning from Covid-19. This will include information from the agile working review and an exercise which would take place on 10 November 2020.

It was noted that an EUExit exercise was planned for December 2020.

3.2.5 CIPFA FM Code

The Board received a presentation from the Head of Finance who highlighted that the FM Code is especially important at the current time in the wider context, as some local authorities experience financial difficulties.

The Head of Finance confirmed that we are largely compliant with the new FM Code with no major gaps identified. However, we will have to be able to evidence compliance, and identify any areas where improvement can be made.

It is unclear whether North Wales OPCC and Force will be legally obliged to implement the new CIPFA FM Code from 1 April 2021 as originally expected, as the legislation is not yet in place (and it is not clear when or if legislation will be passed). While we believe that Audit Wales is unlikely to check compliance with the code during the 2020/21 audit, the code represents good practice, and there is an expectation that we will be able to evidence by 31 March 2021 that we are working towards its implementation, with full compliance in 2021/22 (if we are not already fully compliant).

3.2.6 Joint Audit Committee Terms of Reference

The Joint Audit Committee terms of reference were last reviewed in July 2018. The Chief Finance Officer advised that they follow closely the CIPFA model terms of reference for police joint audit committees.

The board discussed a number of potential areas that the terms of reference could be updated. Specifically the following were highlighted:

- Governance, risk, and internal audit were currently reflected as a single item in the TOR and given these areas are highly important functions for the Joint Audit Committee, this emphasis can be made clear in the terms of reference by reflecting each separately.
- It was also noted that the member-lead model is integral to the way our Joint Audit Committee works, and this can also be made clear in our terms of reference.

The Chief Finance Officer will present a draft revised terms of reference to the next meeting of the Joint Governance Board.

3.2. The next meeting will take place on 17 February 2021.

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

Kate Jackson

Chief Finance Officer, OPCC



Joint Audit Committee

Meeting Date: 10 December 2020

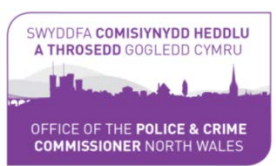
Title:	Proposed Work Programme
Author:	Chief Finance Officer
Purpose of the report:	To agree the work programme
The report is provided to JAC for: (tick one)	<input type="checkbox"/> X Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input type="checkbox"/> Information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

JOINT AUDIT COMMITTEE

10 December 2020

PROPOSED WORK PROGRAMME

Report by the Chief Finance Officer



1. INTRODUCTION

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

2. RECOMMENDATIONS

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

3. WORK PROGRAMME

3.1 With the exception of items timetabled the meet statutory deadlines, the work programme is flexible; therefore, additional items may be added should a need arise.

3.2 There are a number of standing agenda items currently scheduled for each meeting. These will remain on the JAC agenda until further notice:

Date of Meeting	Work Programme 2020/21
All (Until Further Notice)	<ul style="list-style-type: none"> • Business Update • HMICFRS Update • Internal Audit Update • Risk Update • Work Programme

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

Date of Meeting	Work Programme 2020/21
30 March 2021	<ul style="list-style-type: none"> • Capital Strategy (including the Treasury Management Strategy) <i>to be approved before 1 April 2021</i> • Governance update – including draft AGS; Audit Wales – annual plan • Force management statement • Risk strategy & risk appetite statement – Annual review • JAC Annual Report - draft report and discussion • Deep Dive – Safer Streets/Commissioning
Spring 2021	<ul style="list-style-type: none"> • Welsh Joint Audit Committees annual event
June 2021	<ul style="list-style-type: none"> • 2020/21 accounts – technical briefing
29 July 2021	<ul style="list-style-type: none"> • ISA 260 and signing of accounts <i>to be signed by 31 July 2021</i> • Governance update; assurance from high-level meetings for JGB (will be at March meeting in future years) • Review of JAC Terms of Reference • Value for money • Self-assessment and Annual report of JAC – final report • Deep dive: Cyber

6 October 2021	<ul style="list-style-type: none"> • Governance update (incl. FM Code review) • Treasury Management Performance • Information management and compliance • Deep dive: tbc
8 December 2021	<ul style="list-style-type: none"> • Audit Wales – Value for Money and Annual Audit Report (Management Letter) • Legal report • Risk strategy & risk appetite statement – Annual review • Governance update • Ethics • Treasury Management Performance

Provisional Risk Deep Dive Programme	<ul style="list-style-type: none"> • Grant Income / Safer Streets Commissioning (March 21) • Cyber (July 2021) • ICT Sourcing Strategy (TBC)
Prior Risk Deep Dives to reference in Periodic Risk Report	<ul style="list-style-type: none"> • Command & Control • ICT Sourcing Strategy, etc
Other items to be discussed with JAC	Provision of internal audit services

4. IMPLICATIONS

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

4.5	Risk	One of the purposes of the Committee is to provide assurance to the Police and Crime Commissioner and the Chief Constable that financial and non-financial risks are being managed effectively.
4 .6	Police and Crime Plan	The role of the Joint Audit Committee is part of the overall Police and Crime Plan.

Report Author:

Kate Jackson

Chief Finance Officer, Office of the Police and Crime Commissioner