**Meeting: Joint Audit Committee**

**Venue: Teams**

**Date: 24th July**

10.30am – 1.00pm

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| **Members:** | Ms Kate Curran (KC) Chairperson  Mr Farhan Shakoor (FS)  Ms Julie James (JJ) |
| **JAC Attendees** | Dr Richard Lewis, Chief Constable (CC)  Ms Carys Morgans, Chief Executive Officer (CEO)  Mr Edwin Harries, Director of Finance (DoF)  Ms Nicola Davies, T-Chief Finance Officer (T-CFO) (ND)  Mr Jason Blewitt, Audit Wales (JB)  Ms Anneesa Ali, Audit Wales (AS)  Ms Fiona Roe, TIAA (FR)  Mr Jonathon Maddock, TIAA (JM)  Ms Gaynor Maddox, Head of Programmes and Change (GM)  Ms Michelle Reynolds, T-Head of Finance (MR)  Mr Neil Evans, Business Manager OPCC (NE)  Ms Linda Williams, Director of People Organisation and Development (LW)  Mr Andrew Rees, Senior Facilities Manager (AR)  Ms Caroline Wheeler, Observer (CW) |
| **Apologies** | Dafydd Llywelyn, Police and Crime Commissioner  Ms Louise Harries, T-Supt Head of Service Improvement Unit Ms Beverley Peatling, Chief Finance Officer  David Macgregor, Committee Member |
| **Declarations of Interest:** | None |

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| ACTION SUMMARY FROM MEETING ON 14th March 2024 | | | |
| **Action No** | **Action Summary** | **To be progressed by** | **Progress** |
| A53 | That the planning and assurance cycle is included on the agenda of the next JAC meeting. | T-Supt Louise Harries | **In Progress –** this report will be considered at the Statement of Accounts Seminar due to be held in October. |
| A57 | That information is brought back to the Committee in relation to the pensions issue in 6 months to identify progress of the investigative work undertaken to identify how many individuals may be affected by the issue of different pension bands. | DOF | **In progress –** this report will be presented to the meeting to be held in September 2024 |
| A65 | That a draft revised Corporate Governance Framework be presented to the Committee at the meeting to be held in July. | CEO | **In progress –** this will be included on the agenda for the July meeting. |
| ACTION SUMMARY FROM MEETING ON 5th June 2024 | | | |
| A11 | That consideration is given to developing impact driven business continuity plans and a meeting is set up between GM and FS to discuss. | NE | **In Progress –** a meeting will be arranged for the first week of August. |

1. **To confirm the minutes of the meeting held on the 5th June 2024**

The minutes of the meeting held on the 5th June were accepted as a true record by the Committee.

1. **Review of Outstanding Actions**

**The Committee discussed the following actions from previous meetings:-**

**A55 –** In relation to this action about the Estates Statutory Compliance, Members received an in depth presentation that highlighted the current levels of compliance.

**Action A 13: That the presentation provided at the meeting in relation to Action 55 about the Estates Statutory compliance is circulated to Members of the Committee.**

**A65** – A decision has been taken by the Commissioner to undertake a more comprehensive review of the governance arrangements within the OPCC. Draft proposals were shared with Chief Officers at an away day and the principles which were outlined have been agreed. Once the detail of the governance arrangements have been finalised and implemented the Corporate Governance Framework will be rewritten and presented to the Committee. The proposals will be shared with members of the Committee outside of the meeting to seek their views on the proposed arrangements.

**A11** – Meeting between FS and GM has been arranged for the 15th of August.

1. **Joint Audit Committee Work Plan**

NE advised the Committee that within the current work plan there is an item relating to an external quality of assessment of internal audit. Following discussions with JM it was confirmed that this assessment takes place every 5 years. FR advised that whist an external assessment takes place there is an opportunity for the Committee to undertake a self-assessment of internal audit arrangements to provide added assurance. The Chair noted that a new contract had recently commenced and it would be prudent to allow the contract to embed prior to undertaking a self-assessment.

**Action A14: That the Committee undertake a self assessment of the Internal Audit process undertaken by TIAA in 12-18 months’ time.**

**Action A15: That the Committee is provided with the External Assessment of Internal Audit that was undertaken in 2022 to provide assistance.**

1. **To receive a verbal update from the Audit Governance Group Meeting held**

**on the 17th June 2024**

MR provided an update from the Audit Governance Meeting held on the 17th June 2024. MR advised that the main focus of the meeting was the HR Flexible working compliance audit and noted that this was on the agenda for this meeting.

The Group has considered the Internal Audit annual plan for 2023/2024. The report identified there are currently 15 outstanding recommendations but all are within timescales for implementation. Following a request from DM with regards to collaborative audits and it’s been agreed that the Heads of Finance from all Welsh forces will meet monthly to discuss progress and the next meeting will be held on the 5th of August.

**ACTION A16: That the report considered by the Audit Governance Group in relation to the progress against the Internal Audit annual plan is circulated to the Committee and included on future agendas.**

1. **To consider the actions of the Corporate Governance Group meeting held on 24th June 2024 (Director of Finance)**

The Committee considered the actions of the Corporate Governance Group that met on the 24th of June and were advised that there were discussions around the annual governance statement, business continuity and HR Policy Updates. CM confirmed there were very detailed discussions at the forum and a number of amendments were made to the Annual Governance Statement as a consequence of those discussions. CM thanked GM for the work undertaken in relation to this.

1. **To consider the following reports of the internal auditors:** 
   1. **To consider the Summary Internal Controls Assurance (SICA) Report 2023/24**

The Committee considered the Summary Internal Controls Assurance report. JM advised that TIAA have become a Certified C Corporation. JM advised that progress against the 2023/24 plan was complete. The Committee were advised that good progress is being made in relation to the timings of reviews part of the 2024/25 plan and this has been facilitated by regular meetings between MR and JM.

* 1. **To consider the Collaborative Review of the Data Protection Act (2023/24**)

The committee considered the Collaborative Review of the Data Protection Act and JM advised that Dyfed Powys had received reasonable assurance. KC raised concerns regarding the detail of the report as the Committee is aware that there are issues within this area and had hoped to receive more assurance on those issues. FS also felt there were additional issues that could lead to non-compliance including no Record of Processing Activity undertaken, no updated Information risk register and no Violation Management procedures which could result in legal and reputational consequences. FS continued that there was further concern in relation to the recommendations within the report that they were not as high level as they should be. FR noted the Committees concerns suggested that TIAA reconsider the report in line with the issues raised by the Committee and present an updated version to the next meeting.

**Action A17 – That TIAA review the outcomes contained within that collaborative review of Data Protection Act to understand the rationale behind the outcomes and that a revised report is presented to the next Committee meeting.**

**Action A18 – That the Audit Governance Group establishes and maintains a role to ensure that any controls identified via internal audit reviews are adhered to and implemented.**

* 1. **To consider the Collaborative Review of Telematics (2023/24)**

The Committee considered the report on the Collaborative Review of Telematics and were advised that the review had concluded with reasonable assurance for Dyfed-Powys. A priority two recommendation was assigned in relation to the amount of trips undertaken where the data had not been recorded for the journey. The Committee was advised that there were recommendations outstanding from the previous review in 2022/2023 which was due to an issue with the recording system and there was low confidence in the data that was being provided.

JM advised that a recommendation from the review was that Dyfed-Powys and North Wales Police implement the process undertaken by Gwent and South Wales Police in relation to data. A discussion ensued in relation to future monitoring and analysis arrangements.

JJ asked whether the actions contained within the report had been actioned by 6th May 2024. EH Confirmed that the actions have been undertaken and are complete. EH advised that when Telematics was bought there was insufficient resource to monitor the data it generates, but there is now a specific officer in place within Fleet Management that is responsible for analysing data.

KC noted that it had been agreed that a report will be brought back to the January meeting.

**Action A19 – That the Joint Audit Committee review progress of implementing the recommendations contained within the collaborative review of Telematics in January 2025.**

* 1. **To consider the Assurance Review of HR Management – Flexitime Compliance**

The Committee considered the report on the assurance review of HR Management – Flexitime compliance which had limited assurance.

JM highlighted key points from the review. The first was in relation to those staff who have exceeded the maximum amount of hours they can carry over at the end of the period and how managers have sanctioned this without providing a clear rationale. It was advised that the policy should be clearer on what can be carried forward.

The second point was also in relation to the system and specifically individuals debit balances. There were individuals who were carrying debit balances over and above the allowed level. It was noted that there was a need to investigate why individuals were in a debit balance as the cases considered as part of the review showed that an individual was on the wrong rota.

A further point was raised in relation to a sample of records that were checked as part of the review which showed booking errors. It was further noted that the current policy is not clear on the processes in relation to debits and credits.

SC advised the members that at the time of the review there were 595 staff across the organisation who were part of the flexi time scheme. There are a number of recommendations and actions that have already actioned and the review of the flexitime policy will be completed by the end of August. It had previously been put on hold pending the outcome of the internal audit. SC advised that the scrutiny and oversight of flexitime compliance is now included as an agenda item on the Overtime Working Group chaired by the Assistant Chief Constable.

Members noted concerns around the whether the policy has been misused to allow staff to have extra leave as an exception, and whether there is a risk in relation to health and wellbeing with staff in being allowed to build too many hours. A discussion ensued in relation to the consistency of implementation across the organisation and whether there were issues of fairness. .

KC asked whether there is an opportunity for HR to monitor and oversee the areas of the flexitime policy. SC advised that this comes down to a capacity issue in terms of auditing 595 staff on a monthly basis. LW agreed with this and acknowledged there is a need to trust line managers to manage their teams properly.

CM noted the revision of the Flexitime Policy and enquired whether there would be any internal communications with staff advising them of the policy so as to provide clarity across the organisation. SC advised that brief communications were circulated following the audit as a reminder of the current policy. GM advised the Committee that communications in relation to policies have improved with the introduction of a monthly newsletter that is uploaded on the intranet to advise staff and officers of the latest policies that have been updated.

* 1. **To consider the Assurance Review of Governance (ROCU, Go Safe and All Wales) (2023/24)**

The Committee considered the Assurance Review of Governance in relation to Go Safe, All Wales and ROCU that received substantial assurance.

* 1. **To consider the 2023/24 Internal Audit Annual Report**

The Committee considered the 2023/24 Internal Audit Annual Report. JM advised members of the summary of the overall outcomes of the reviews carried out in 2023/2024 there were 12 substantial assurance, 12 reasonable assurance and 2 limited assurance. The highest number of recommendations sit around compliance which is where it is expected to be and is consistent with other organisations.

* 1. **To consider the Assurance review of Firearms Licensing (2024/25)**

The Committee considered the Assurance review of Firearms Licensing. JM advised that the assurance level was substantial.

FS raised concerns where it mentioned the appeal rights for individuals were not provided or weren’t stated to them. This raises concerns to possible non-compliance in terms of people’s right to appeal. RL confirmed there is a right of appeal process in place and confirmed a number of people do appeal and a record is kept. EH advised that it may be that the person didn’t exercise their right to appeal but would need to check the detail.

JJ raised a point in relation to a comment in the report about an officer leaving or retiring and highlighted the importance of capturing corporate memory.

1. **2023/2024 Annual Governance Statement**

The members considered the 2023/2024 Annual Governance Statement. Members noted the review was a comprehensive and informative summary of arrangements in place to promote good governance.

1. **To consider the CIPFA Financial Management Checklist**

The Committee considered the CIPFA Financial Management Checklist. ND provided a summary of some of the work being undertaken in relation to governance and advised that Supt Louise Harris would give a detailed presentation in the October meeting around the Planning and Assurance Cycle which is being implemented. This joined up approach will assist in identifying any potential themes or trends coming out of reports such as HMICFRS reports and Internal Audit reports which will be used in developing polices, strategies or plans such as the Medium Term Financial Plan.

KC noted that there is an opportunity going forward for the Committee to receive more information in relation to value for money and to receive assurances that the organisation are achieving value for money not only from a cash perspective but also from a social value perspective. There is an All Wales Audit Committee training day in September and value for money is on the agenda and maybe something that the Committee can explore following the training.

Following consideration of the report the Committee requested that they receive an update report in six months time on the progress being made in implementing the actions contained with the CIPFA Financial Management checklist.

**Action A20 – That the Joint Audit Committee receives an update report in six months time on the progress of implementing the actions contained within the CIPFA Financial Management Checklist.**

1. **Audit Enquiries To Those Charged With Governance.**

Members considered the letter from Audit Wales in relation to audit enquiries to those charged with governance. The Committee was advised that this is a return that is completed for Audit Wales to give assurance as part of the audit process that arrangements are in place to deal with the areas contained within the report. JB added that this is a standard letter Audit Wales send out each year to cover the areas as per the auditing standards for Audit Wales assurance purposes.

1. **Force Review Update**

The Committee Considered the Force Review and had no queries.

1. **Human Resources Update**

The Committee considered the Human Resources Update report that had been requested at a previous meeting. Members were advised that the report contained information on two specific issues. Issue one was in relation to the HR responses to audit reviews and the second was an update on HR policies. SC advised that in relation to the first issue there have been occasions when HR have been made aware of an audit at short notice and the availability of officers had an impact on the review. Secondly there have been issues in understanding the scope of the review and the timeliness of receiving the scope.

ND confirmed there had been changes to the 2024/25 audit plan that have been agreed by the Audit Governance Group and the arrangements for all 2024/25 audits including timings and scopes will be circulated to department heads prior to the audit.

LW suggested that she is happy to attend the Audit Governance Group meetings going forward to ensure full HR engagement and support planning.

The second issue within the report was a HR Policy Update as requested by Members previously. Members considered the information contained within the report that identified a number of policies require updating.

1. **To consider Force Corporate Risk Register**

The Committee considered the Force Corporate Risk Register. GM provided an update regarding the ongoing changes and work happening around the Risk Register. The Committee asked why the Information Commissioner’s Office enforcement notice is not logged on the Corporate Risk register as it is a statutory and legally enforceable notice on the organisation. GM advised this is on the departmental risk register for information management. JJ advised that the risk needs to be visible and is satisfied if it is included on the departmental risk register.

1. **To consider OPCC Risk Register**

NE provided an update on the OPCC Risk Register and confirmed 2 risks had been removed. One was the risk in relation to the business support arrangements, that has been removed as there is now a full team employed. The second risk that has been removed is in relation to PCSO funding and has been removed due to the fact it’s now an issue being managed internally by the Force as the funding has been cut. There has been one risk added to the register in relation to funding from the Ministry of Justice as there has been no indication whether funding will continue post March 2025, this could result in a shortfall of £1.4 Million.

1. **MOPI Risk and FOI Business Area Report**

The Committee considered a report in relation to the Management of Police Information (MOPI) Risk and wider Freedom of Information (FOI) Business area. GM advised MOPI risk was taken off the risk register as issues developed and it was decided to draw a line under it and raise it as a risk in the future if any further issues occurred.

The Committee was advised that an improvement plan had been developed in 2018 but similar issues had arisen more recently that have resulted in the enforcement notice from the Information Commissioner’s Office and the requirement for a new improvement plan. GM advised that contact had been made with North Wales Police who receive a similar amount of FOI requests but have a higher compliance rate. It is hoped that this will facilitate the sharing of best practice.

The Chair shared comments from DM and the request that a further update is provided in relation the progress being made against the action plan be presented to a future meeting.

**Action 22 – The Committee receive a further update in relation to Information Management and the Information Commissioner’s Office action plan at the next meeting.**

1. **General Update on Information Management**

The Committee considered a report that provided a general update on Information Management. In relation to Data Breaches members were advised that there had been a slight increase on last year with 66 breaches so far for 2024.

Members were advised that there is an action plan in place following the ICO enforcement notice which has been published in line with legislation. Members noted that there is an expectation for 90% compliance in responding to FOI’s within statutory timescales but the current performance is around the 63% mark, this is partly down to the backlog which impacts on the figures. There are also issues with Subject Access requests due to staff being moved to deal with FOI requests but there is now a plan in place for the Chief Inspector that’s been reviewing the FOI processes to now review the data protection processes to try and streamline the process.

Members noted that there had been improvements within the figures and were pleased with this and will continue to monitor this in the future.

1. **ICT Report in response to Audit Member Questions**

KC proposed to move the ICT Report to the next meeting due to insufficient time to consider.

**Action A23 – That due to insufficient time to consider the ICT report in response to Audit Member questions be included on the agenda for the next meeting.**

1. **Update on Fraud Activity**

NE provided a brief update in relation to individuals pursuing ancillary business interests without informing the Force. The Committee requested that a briefing be presented to the next meeting.

**Action A24 – That members receive a briefing at the next meeting in relation to the current fraud activity being undertaken.**

1. **Verbal Update on Members ICT and Access to Papers**

NE provided an update that he met with representatives from the ICT department and investigations have commenced to understand if it is possible to provide guest access to Members to allow them to use specific teams channels and associated papers. If the model is achievable and workable then JAC members will be asked to test it.

1. **Members Updates – 15 Minutes**

There were no Members Updates to note.

1. **Any other business**

FR mentioned that TIAA will be releasing a webinar on whistleblowing that will be shared with members.

JJ made a request for an induction programme for new members as herself and DM haven’t received one and it would be beneficial to provide an overview of the Police Force and the Police and Crime Commissioner. It was further suggested that key information such as abbreviations and acronyms be included.

**Action A25 – That consideration is given in include a review of the Whistleblowing policy and procedures in the Internal Audit Plan 2025/26.**

**Action A26 – That the TIAA Webinar in relation to Whistleblowing is circulated to members.**

**Action A27 – That an induction programme is established for the new members to include visits to relevant departments and provision of key information such as abbreviations and acronyms**.

**Date of next meeting: 2nd October 2024**

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|  | ACTION SUMMARY FROM MEETING ON (31st July 2024) | | |
| **Action No** | **Action Summary** | **To be progressed by** | **Progress** |
| A13 | That the presentation provided at the meeting in relation to Action 55 about the Estates Statutory compliance is circulated to Members of the Committee | NE | **Complete –** Presentation circulated to Members on 31st July. |
| A14 | That the Committee undertake a self-assessment of the Internal Audit process undertaken by TIAA in 12-18 months’ time. | CFO | **In Progress –** a self assessment of the internal audit process will be undertaken and reported back to the Committee during 2025/2026 |
| A15 | That the Committee is provided with the External Assessment of Internal Audit that was undertaken in 2022 to provide assurance. | FR | **Complete –** Information circulated to Members on 12th September |
| A16 | That the report considered by the Audit Governance Group in relation to the progress against the Internal Audit annual plan is circulated to the Committee and included on future agendas. | NE | **Complete –** Presentation circulated to Members on 31st July. |
| A17 | That TIAA review the outcomes contained within the Collaborative review of the Data Protection Act to understand the rationale behind the outcomes and a revised report is presented to the next Committee meeting. | FR | **In Progress –** the report will be included on the agenda for the next meeting. |
| A18 | That the Audit Governance Group establishes and maintains a role to ensure that any controls identified via internal audit reviews are adhered to and implemented. | CFO/CEO | In Progress – Terms of Reference to be reviewed at the September meeting |
| A19 | That the Joint Audit Committee review progress of implementing the recommendations contained within the Collaborative review of Telematics in January 2025. | JAC | **In Progress -**  this will be included on the Joint Audit Committee meeting in January 2025. |
| A20 | That the Joint Audit Committee receives an update report in six months time on the progress of implementing the actions contained within the CIPFA Financial Management Checklist. | CFO | **In Progress –** this will be included on the Joint Audit Committee meeting in January 2025. |
| A21 | That the Committee receive a further update in relation to Information Management and the Information Commissioner’s Office action plan at the next meeting | DJ | **Complete –** this is included on the agenda of this meeting. |
| A22 | That due to insufficient time to consider the ICT report in response to Audit Member questions be included on the agenda for the next meeting | NE | **In Progress –** the report will be included on the agenda for the next meeting. |
| A23 | That Members receive a briefing at the next meeting in relation to the current fraud activity being undertaken. | HD | **In Progress –** the report will be included on the agenda for the next meeting. |
| A24 | That consideration is given to include a review of the Whistleblowing policy and procedures in the Internal Audit Annual Plan 2025/26 | Audit Governance Group | **In Progress –** This will be considered by the Audit Governance Group |
| A25 | That the TIAA Webinar in relation to Whistleblowing is circulated to Members. | FR | **Complete –** Information circulated to Members on 12th September |
| A26 | That an induction programme is established for the new Members to include visits to relevant departments and provision of key information such as abbreviations and acronyms. | CEO/NE | **In Progress –** the report will be included on the agenda for the next meeting. |