

**Meeting: Joint Audit Committee**

**Venue: Teams**

**Date: 23rd March 2022**

**Due to the current Coronavirus pandemic the meeting held on the 23rd March 2022 was conducted via Microsoft Teams.**

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| **Members:** | Mr Martin Evans (ME)  Ms Lynne Hamilton (LH) |
| **JAC Attendees** | Ms Claire Parmenter, Deputy Chief Constable (DCC)  Mr Edwin Harries, Director of Finance (DoF)  Ms Beverley Peatling, Chief Finance Officer (CFO)  Mr Ian Williams, Head of Corporate Finance (IW)  Ms Helen Cargill (TIAA), (HC)  Ms Eleanor Ansell, Audit Wales (EA)  Ms Clare James, Audit Wales (CJ)  Ms Gaynor Maddox, Head of Programmes and Change (GM)  Ms Cheryl Gayther, Compliance and Performance Manager – OPCC (CG)  ChInsp Jolene Mann, Demand and Performance (ChInspJM)  Insp Richard Janas, Inspection and Review (InspRJ)  Ms Debby Jones, Information Manager (DJ)  Ms Daisy Mildenhall, Risk and Assurance Officer (DM)  Miss Caryl Bond, Assurance Support Officer (CB) |
| **Apologies** | Ms Kate Curran (KC)  Mr Andre Morgan (AM)  Mr Dafydd Llywelyn, Police and Crime Commissioner (PCC)  Mrs Carys Morgans, Chief of Staff (CoS)  Dr Richard Lewis, Chief Constable (CC)  Lucy Evans, Audit Wales (LE)  Jonathon Maddock, TIAA (JM) |
| **Declarations of Interest:** | None. |

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|  | | ACTION SUMMARY FROM MEETING ON (30th November 2021) | | |
| **Action No** | **Action Summary** | | **To be progressed by** | **Progress** |
| **Action 281** | **KP to consider the points made on page 11 of the minutes taken from the JAC meeting on the 19th of October 2021.** | | **KP** | **Complete** |
| **Action 285** | **For JM to add a wider time frame to the direction of travel column rather than just quarterly within the SICA report to provide further context.** | | **JM** | **Ongoing** |
| **Action 287** | **CB to amend IW’s title to Head of Corporate Finance.** | | **CB** | **Complete** |
| **Action 291** | **For JAC members to consider whether they would be interested in having a specific area of expertise and responsibility in relation to the work of the Panel.** | | **JAC** | **Ongoing** |

ME noted that they have had a number of apologies for the meeting which has resulted in only two JAC members being present, in order to comply with the terms of reference all decisions made within this meeting will be forwarded to AM and KC for their views to ensure that all decisions made have quorate JAC membership approval.

LH declared that she had been appointed as a member of the Audit and Governance Committee of Powys County Council.

**A292 2021/22:** **Minutes of the meeting held on 30th November 2021 and Matters Arising**

CFO noted that there was a typo on page 1 where the date should read 30th of November 2021 rather than 30th of October 2021.

CFO asked if the wording on Page 9 in relation to the Treasury management report can be changed. CFO will email CB with alternative wording on this section.

ME noted that Action 281 for KP to consider the points made on page 11 of the minutes taken from the JAC meeting on the 19th of October 2021. ME has cross checked across to the risk registers and is comfortable that two of them have been cleared and that the third is being moved over to the issues log, which will be discussed later in the meeting. ME noted that the only action that remained outstanding was that the Force does not have a ‘Records of Processing Activity’ (ROPA) in place which is a legal requirement. ME noted that although it notes that this is a legal requirement, it says that it's not discussed at the Information Assurance Board. ME queried who is the responsible Board to look at this aspect.

DoF stated that he would raise this with the DCC as it is felt that the Information Assurance Board would be the most appropriate place for this aspect to be considered.

**Action 292: DoF to discuss the point in relation to the force not having ‘Records of Processing Activity’ (ROPA**) **in place which is a legal requirement with the DCC and to see if this can be considered by the Information Assurance Board going forward.**

HC noted that Action 285 For JM to add a wider time frame to the direction of travel column rather than just quarterly within the SICA report to provide further context had not been added for the current SICA, but that TIAA will ensure that this is included for the next report.

Action 291 for JAC members to consider whether they would be interested in having a specific area of expertise and responsibility in relation to the work of the Panel. ME suggested that a meeting is set up between himself, the CFO and the CoS to look at the JAC ToR and to discuss what meetings and opportunities there are for Members to get involved in. Once areas of expertise and meeting representation has been decided these can be shared with Members for their thoughts and views.

The Committee agreed that this would be a sensible way forward.

**Action 292: CB will seek approval of the minutes from KC and AM.**

**Decision D292: Subject to the noted required amendments the minutes of the meeting held on the 30th of November 2021 were accepted as a true record by the Committee.**

**A293 2021/2022: Actions from the Corporate Governance Group meeting**

DoF noted that the Corporate Governance Group met on the 22nd February 2022 and gave an overview of the actions arising from the meeting.

DoF noted that there were a couple of actions taken in relation to open audit recommendations and ensuring they were receiving appropriate attention. DoF also ran through the actions in relation to the FMS and Corporate Governance Framework. The group was also advised that Audit Wales had confirmed that the AGS could be published separately, albeit at the same time, from the Statement of Accounts.

**A293 2020/2021: Update on the Joint Corporate Governance Framework 2022/23**

CFO explained that this document has been to the Corporate Governance Group and has been to all stakeholders for review.

ME queried a number of changes relating to the transfer of the Estates Department. These were discussed and amendments were agreed accordingly.

ME queried wording on Page 44 in relation to JAC and the need to ensure consistency with the JAC ToR. CFO agreed with the above points and noted that it would also be worth cross-referencing CIPFA guidance.

**A293: For the wording within the JAC ToR, Corporate Governance Framework and CIPFA guidance to be cross referenced to ensure consistency.**

ME also queried the reference to ‘urgent’ on page 48. CFO noted that this needs to be consistent with the Anti-Corruption and Fraud Policy. The CFO also suggested that the process be reviewed to ensure reporting compliance. ME stated that in order for JAC to fulfil their duties in relation to reviewing and monitoring fraud activities they need regular reporting.

**Action 293: For the CGF to be amended in line with the Committee’s observations.**

**Action 293: IW to speak with PSD to ensure that Fraud is reported in line with Policy and CGF ensuring clarity of understanding on definition of ‘urgent’.**

**A294 2020/2021: Audit Governance Group meeting held on the 8th March 2022**

IW explained that at the meeting on the 8th March 2022 it was reported that there were currently 27 open recommendations which continues to be a much-improved year on year position. Since the last JAC meeting there has been further progress in the ageing of open recommendations with the 6–12-month column reduced to nil and general improvements elsewhere.

The 8 items overdue for more than 12 months are of note and include recommendations in relation to Info Management (3), HR (4) and ICT (1). A timeline of implementation has been defined but continues to be dependent on long term system implementation.

IW also explained that they have carried out an activity to look at the patterns of audit assurance outcomes over the last seven years. It was noted that Payroll, Budgetary Control, General Ledger and Risk Management stand out as attaining reoccurring substantial assurance. HR Absence management and Neighbourhoods – Property have been identified as having repeated limited assurance. The AGG has asked for Business leads to comment on these findings.

**A295 2020/2021: Commissioners and Chief Constable Annual Governance Statement 2021/22**

ME welcomed GM to the meeting.

GM explained that work has been undertaken in relation to improving the connection with boards and reporting, they have tried to ensure that papers are given at least 7 days prior to meetings to ensure there is time to read papers and prepare questions. They have also been looking at papers and agendas to ensure that they are suitable and prioritize the relevant areas of business needing to be discussed. Meetings are calendared for a year in advance so that they can start getting papers in a timely manner.

GM explained that the AGS has been cross referenced with the Joint Corporate Governance Framework to ensure that all the information aligns.

GM gave a presentation to the Committee on the progress made in relation to the AGS. GM gave an overview of the Governance structure and the changes made to help streamline reporting and to ensure a clear picture of Business leads responsibilities and portfolios and how this links in with risk management.

GM explained that they are aiming for the AGS to be completed by the end of the week.

**A296 2020/2021: Reports of the internal auditors**

1. **Collaborative Assurance Review of Automatic Number Plate Recognition (ANPR)**

Outcome: Reasonable Assurance with five priority 2 recommendations and one priority 3 recommendations. The main findings of the audit were that arrangements for the management of Automatic Number Plate Recognition (ANPR) are generally inconsistent across all four Forces. A number of recommendations have been raised for the Forces to consider going forward. HC confirmed that actions have been put in place for Dyfed-Powys.

ME queried the number of ANPR sites in comparison to the other Force areas, noting the figure is far greater. DCC confirmed that this is due to the geographical area being so vast.

LH queried if recommendation 3 scheduled for completion by the 31st March 2022 was on track. IW confirmed that recommendation 3 has been completed, however recommendation 2 with a completion target of 31st March 2022 is still pending at present.

1. **Assurance Review of Finance – Medium Term Financial Plan (MTFP) and Assumptions**

Outcome: Reasonable Assurance with one priority 2 recommendation and two priority 3 recommendations. HC noted that the audit looked at the process and how it aligned to the Police and Crime Plan and looked at streamlining, making things more efficient and more direct. The recommendations raised looks at the process and how it can be aligned better, this recommendation has been taken forward by management.

CFO noted that they still have the MTFP planning group, which was set up back in 2018, the next meeting will look at lessons learned from the last process and how recommendations can be taken forward. It was also noted that the Achieving Finance Excellence in Policing have also just published a toolkit for Medium Term Financial planning, which showcases good practice from other MTFP’s. This toolkit will be reviewed at the MTFP planning group to discuss if it meets the needs of Dyfed-Powys.

1. **ICT Review of Cyber Security**

Outcome: Reasonable Assurance with two priority 2 recommendations.

HC noted that reasonable assurance is very positive as cyber is a massive risk. The two areas for improving that were identified were for the Safend security solution to be rolled out and for the Incident Management Plan to be regularly tested.

ME queried whether matters noted under other findings within the audit report are logged somewhere to be followed up etc. IW noted that the matters under ‘other findings’ would sit with the Business Leads and are not currently logged as open recommendations.

DM also wished to reassure JAC that if a matter is raised in one of the silver board meetings, DM has access to the minutes and will be picking up any risks or issues and would contact the appropriate person to establish if it is a corporate risk.

1. **Compliance Review of Neighbourhoods – Divisional Visits (2) Property**

Outcome: Limited Assurance with four priority 1 recommendations, three priority 2 recommendations and one priority 3 recommendation.

HC stated that there's been a history of limited assurance of this report, however, from discussions with JM there are signs of improvement with the stores. HC explained that the main issues stem around Officers not booking in and returning items accurately, rather than the management of the stores.

HC noted that it was felt that the new IT system for recording property that's been introduced will certainly help to address some of the issues identified. The new system will be able to send out reminders to officers and will have a built-in escalation policy should officers not respond.

ME noted that this area has been allocated 8 days in the prospective audit plan for 2023/24 and will therefore receive the necessary attention.

DoF confirmed that the two priority 1 recommendations have been concluded.

1. **Assurance Review of Budgetary Control – Collaborative**

Outcome: Substantial Assurance with no recommendations.

HC noted that the arrangements in place for budgetary control at all Forces were found to be robust and no recommendations have been raised.

CFO reiterated that its really pleasing to see this level of assurance and noted that in terms of scrutiny and oversight a couple of things were missed, it was noted that on page 21, finance reporting does go to Policing Board on a monthly basis and also gets reviewed by the Police Accountability Board on a quarterly basis.

1. **Collaborative - Assurance Review of General Ledger**

Outcome: Substantial Assurance with no recommendations.

HC noted that this is a positive report and a substantial for all four forces. Only one routine recommendation found in relation to the review of the Journal Register, this identified several journal descriptions which contained simply a reference to 'housekeeping,', full details of each journal should be provided for completeness. This has been accepted.

1. **Collaborative Assurance Review of Treasury Management**

Outcome: Substantial Assurance with no recommendations.

HC noted that this is another very positive report.

HC noted that there were two routine points raised which related to the review of Dyfed-Powys Police’s Financial Control Procedure for Treasury Management and Banking Arrangements was overdue. No major issues identified.

1. **Assurance Review of HR Management – Leadership Skills**

Outcome: Reasonable Assurance with three priority 2 recommendations and one priority 3 recommendation.

HC explained that the first recommendation was related to having a strategy, at the time of the audit the force was in the process of replacing the strategy. The second finding was in relation to succession planning and formalizing the arrangements that were in place. The third recommendation was related to a skills mapping exercise, which was ongoing for a long time, it was felt that the process needed to be formalised and a date for completion set. All three recommendations have been accepted.

1. **HR Management – Absence Management**

Outcome: Limited Assurance with one priority 1 recommendations and one priority 3 recommendation.

HC explained that this area had previously limited assurance and it was found that a number of the recommendations hadn't yet moved on. The main finding was in relation to compassionate leave and the policy that's in place.

There were also some old outstanding recommendations relating to the policy itself that need to be addressed.

ME noted that it is positive to know that these will be picked up as part of the Audit Governance Group.

LH queried the recommendation in relation to “Consideration be given to providing private health care to those who are absent from work and awaiting treatment from the NHS if the cost of providing private health care would be less than the cost of covering the absence.”

DCC explained that they do have a very small pot of money, which can be used for fast tracking of diagnosis for long term absences, which is considered on a case by case basis.

1. **Collaborative Assurance Review of Debtors**

Outcome: Substantial Assurance with no recommendations.

HC confirmed that this is another very positive report with no issues identified.

**A297 2019/2020: Summary Internal controls Assurance (SICA) Report 2021/22**

HC explained that on page two of the report they have summarised the priority one recommendations, at the time of the report there were Seven recommendations that were outstanding and one that was being implemented.

HC acknowledged the action requested from the last meeting in relation to the accuracy of the dates and time frames connected with the root cause indicators. HC will discuss this with JM and ensure that the SICA is amended to include a period of time to make the table relevant to final reports issued in that period.

HC updated the committee on the progress made against the plan. HC noted that outstanding pieces of work include the interim follow up in which they are still waiting for responses, the Commissioners grant report, which has been issued as draft recently, and then the final piece of work to be undertaken is the follow up review.

**A298 2020/2021:** **Draft Internal Audit Plan 2022/23**

HC explained that the plan was discussed at an Audit Governance Group, where they went through what audits had been undertaken historically and what audits needed to be undertaken. Following this exercise, a list of suggested areas and potential days were put forward.

It was explained that the plan has been formed to focus on areas needing assurance based on past audits and to cover any necessary gaps where assurance is required.

IW reiterated that positively the plan was looked at much sooner this year and was first discussed at the Audit Governance Group back in October 2021, this has allowed the force to be more proactive in steering some of the All-Wales conversations.

CFO wished to highlight that on page 4 the fixed assets order, should also be noted as a collaborative audit. CFO also noted that in terms of the number of days, the contract is for 160 and therefore the aim would be to try and stick to the contract. CFO queried if the increase in days have derived from an increase in the number of collaborative audits.

HC confirmed that they will be able to look at cutting down the days.

HC also explained that last year there were 55 days on the collaborative audits, which is five days higher than last year, HC noted that TIAA will work with IW to see how the number of days can be cut down to 160.

**Action 298: TIAA to work with IW to cut down the number of audit days to 160.**

CFO noted that there are 7 days noted for the collaborative audit for Payroll for 2022/23, however, when looking forward there is only 5 days noted for the Dyfed-Powys only audit. HC noted that TIAA will check these dates.

HC also noted that Dyfed-Powys are already having an audit of payroll, the collaborative review is due to be undertaken early next year, it may be that Dyfed-Powys will want to break away from the collaborative audit and have it done later in the year, due to the two audits being timed close together.

IW also reiterated that payroll has been having substantial assurance for quite a few years. So, despite there being a need for the audit, it is not an area of significant risk.

**A299 2021/2022:** **Audit Wales draft Audit Plan for 2022/23**

ME welcomed CJ to the meeting.

CJ explained that the first document that the Committee had received was a letter from the Audit Director to all local Government Bodies, post the audit of accounts last year. The letter is a reflection on last year's audit and looks at the picture going forward, summarizing the issues coming out of the local Government.

CJ noted that the second part of the letter looks at their future ways of working and their thanks in terms of the collaborative way the bodies have worked with Audit Wales over the last year or two in difficult circumstances.

CJ introduced the Audit Wales draft Audit Plan for 2022/23. CJ noted that page 4 of the document set out their duties in terms of the audit financial statements, providing an opinion on the truth and fairness of the financial statements and the police pension fund, considering key information with those financial statements such as the narrative report and AGS.

CJ explained that exhibit one on Page Six of the document sets out the financial statement audit risks that they see for the year. CJ gave an overview of each of these risks as noted in the document.

CJ explained that they will be looking to discuss the closedown process and quality monitoring arrangements with the accounts preparation team and plan to monitor the accounts preparation process. They will seek to help to identify areas where there may be gaps in arrangements.

CJ gave an overview of the Audit fee and noted that the fee has increased slightly since last year, the fee rates have gone up by 3.7%. It was explained that the cost will vary slightly from body to body depending on the skill mix, it was explained that for Dyfed-Powys it is not quite 3.7% because Audit Wales did charge an additional few thousand last year because of the issues they had when working through the accounts. It was explained that the fee this year will include the fee increase, less the additional charge last year and will include the asset revaluation work.

CFO asked in relation to the fee under exhibit two, whether it would be useful to have a break down on the cost of the audit and then a reference to the additional costs from last year etc., to ensure transparency. CJ asked if they were happy to receive that information as additional information to the plan. CFO agreed but stated that it would be useful for this breakdown to be included in future. CJ agreed with this proposal.

**Action 299: For a break down on the cost of the audit to be included in future plans to ensure transparency.**

LH asked if there was a plan to ensure that the accounts don't have the quality and timing issues that they did last year, to try and avoid the financial consequences.

CFO stated that it causes annual challenges due to the tight timeline. CFO acknowledged that there is work to do and that they have the annual accounts timetable and the team have been working very hard to do work ahead.

IW noted that they are invested in the quality of data and will try and do as much as they can ahead of the 31st of March.

ME noted that earlier on in the year there was some difficulty in providing the force with a timetable due to reprioritizing. ME asked if they see this being a difficulty for future years. CJ noted that they are planning on the timetable being the same as last year. CJ also explained that they had been reluctant to commit to a timetable due to resourcing issues. Due to resource issues, audits had taken longer last year, and they were four- six weeks behind where they would have been.

CJ explained that they are aiming to have a plan in place and deliver as they did last year.

CFO reassured JAC that discussions have taken place and they are hopeful that the timeline will be met.

**A300 2021/2022: HMICFRS and Force Management Statement Update**

ME welcomed InspRJ and ChInspJM to the meeting.

InspRJ confirmed that the process for the PEEL Inspection January – May 2021 is still ongoing, ordinarily the force would have been issued with their report, however, due to the force being part of a pilot along with two other forces, following feedback on the process it has been agreed that the Pilot forces would be provided with a further 6-month period to show evidence of improvement in those areas identified as requiring such from their inspections.

InspRJ has met with Sarah Cooper, HMICFRS liaison lead and they have discussed any areas where it was felt that it was most beneficial for the force to progress and to try and find some additional evidence which could then be added to the report and also potentially influence or change some of the gradings from the provisional draft report, this work is still ongoing. All the additional evidence will be collected, and the final peer report is expected to be published May/ June 2022.

InspRJ explained that they have also had an inspection from the 31st January – 4th February 2022, a thematic Inspection on Online Sexual Abuse and Sexual Exploitation of Children. DPP have received some verbal feedback and the findings will be referenced in the PEEL Report.

Insp RJ explained that they have had a reinspection which took place between February the 28th and 4th of March in relation to crime, data integrity and victim service assessments, they are still waiting on the full details of the report within the next few weeks, an update can be given at the next Joint Audit Committee meeting.

In terms of upcoming inspections, they are anticipating a custody thematic inspection. This will be an unannounced inspection, Chief Inspector Steve Thomas in charge of custody is undertaking a lot of work to try and look at potential areas that might be inspected and checking other inspections to see if there any sort of themes that may be relevant for our force.

It was noted that the HMIFRS have also published the proposed policing inspection program and framework. This time it's a two-year cycle for 2022-2023, this was sent to all forces for consultation with a number of questions, asking for feedback on whether they are looking at the right areas as part of their thematic inspection.

It was explained that the force agreed generally with the inspection program, the main key areas of priority being domestic abuse, violence against women and girls, sexual offences, Child Exploitation and serious threats and vulnerability issues.

InspRJ noted that they currently have 70 recommendations and 14 areas for improvement’s (AFI’s) open. It was explained that approx. 43 recommendations are from reports published in 2021. Majority are new recommendations and are not recommendations that are historic. InspRJ reassured that there is a lot of work on going in relation to those and hopefully they'll be able to reduce that number significantly moving forward.

DCC gave an update in relation to the Crime Data Integrity work and the accelerated cause for concern back in May last year. Significant work has been undertaken to try and improve this area and it is thought that their percentage has improved from 87.6% to around 90%. There are only three forces in the country who have outstanding in this area and they achieve 95% plus.

ChInspJM gave a presentation to the Committee on the FMS covering the main points, issues and risks emerging from the FMS. It was explained that the current FMS covers the time span April 2019 to March 2022. The Force is now moving into FMS 2022, which covers from April 2021 to March 2022. It was noted that the FMS HMIC guidance document that gets populated every year in relation to what is expected from HMICFRS within the document asked for a greater emphasis on future thinking and also their response to Covid-19, looking at how they manage protests and their effectiveness of roads policing in terms of their local strategies and engagement.

The FMS was delivered to HMICFRS back in December 2021 and they’re still awaiting their feedback.

ChInspJM gave an overview on the cross-cutting themes within the FMS including CDI auditing, analytical capacity, covid-19, demand/capacity, end to end project, non-human assets, estates, equipment and systems, forensic provision, training and workforce planning.

ChInspJM also gave an overview of the four-quadrant matrix which is used within the FMS as a tool to identify the key areas of risk in terms of assets and demand. The only area within the red risk quadrant is the digital forensic unit. ChInspJM gave a detailed overview of the one red and 16 amber risk areas, noting progress and work being undertaken.

ME thanked ChInspJM for the comprehensive and useful summary of the FMS, it was noted that the level and depth of the analysis provides JAC with great reassurance that nothing is being missed.

LH reiterated her thanks and agreed that the level of analysis of the organization gives great reassurance.

ChinspJM noted that for FMS 2022 they are meeting with HMICFRS to see if they are able to do a lighter version as 2021 was such a thorough review of the organisation and much of the risks and resources will be the same. They would then look to do a detailed review again in 2023.

**A301 2021/2022: Medium Term Financial Plan including the Capital and Reserves Strategy 2022/23 – 2026/27**

The CFO provided context to the MTFP and Capital and Reserves Strategy which built upon and consolidated issues that were discussed at the finance seminar at the end of November and formed the basis of the Commissioner’s Precept Proposal. The Police and Crime Panel gave their unanimous support on the 28th of January.

The CFO wished to bring a slight technical and financial issue which has arisen to Member’s attention whereby an incorrect tax base figure had been used. The financial impact of this was circa £76k and the CFO is in the process of getting hold of the Welsh Government to ensure that all requirements were met.

LH asked if someone could look at the capital annex and check the formatting and number sequencing.CFO noted this and will check that section.  
**Decision D301: JAC recommend the Medium-Term Financial Plan including the Capital and Reserves Strategy 2022/23 – 2026/27 to the CC and PCC.**

**A302 2021/2022: Treasury Management Strategy**

CFO noted that the TMS follows a similar format to last year. They did try to follow the new Treasury Management Advisors Template (Link Group); however, difficulties were encountered and would be further disucssed. CFO also explained that CIPFA have also issued new codes in December, these are highlighted in section 6.7 and are required to be implemented by 2023/24’s Strategy. Work will be carried out in relation to these changes during the year to commence the implementation. It was noted that key issues for Dyfed-Powys continue to be security and liquidity yield. Positively it was noted that from previous benchmarking that DPP do perform fairly well in relation to delivering the capital program infrastructure to underpin the delivery of policing services. It was reiterated that it was good to receive the TIAA report on the TMS and to get that level of assurance around the arrangements in place.

ME and LH noted that they were happy to recommend the TMS to the PCC and CC for approval.

**Decision D302: JAC recommend the TMS to the CC and PCC.**

**A303 2021/2022: Draft Accounting Policies for 2021/22 Statement of Accounts**

DoF introduced the accounting policies that they intend to put into the statement of accounts. It was noted that there have been no major changes since last years, the accounting policies that they have are determined by the Code of Practice of Local Authority Accounting in the UK.

**A304 2021/2022: Annual Accounts timetable**

The DoF updated on the proposed timetable and the proposed audit start date of 6th of June.

DoF noted that they are aiming to complete the draft statements on the 20th of May, which would give them around a week to undertake quality assurance as was discussed earlier in the meeting. The draft statements will then be taken to the seminar scheduled for the 29th of June.

**A305 2021/2022:** **JAC Draft annual report 2021/22**

ME noted that the JAC draft annual report can be agreed via email. ME pointed out that the priorities for next year will need to be decided.

**Action 305: OPCC to circulate the JAC draft Annual Report for feedback and approval.**

**A306 2021/2022: Force significant Corporate Risks**

DM introduced herself to the Committee as the new Force Risk and Assurance Officer. DM gave a brief overview of the JAC Annual Risk Review report. It was explained that Section 1 of the report details the corporate risk review findings, they have been working in consultation with risk owners and risk activities to establish a clear identification of the current risk status of each entry. DM gave an overview of the issues register and explained that all issues are colour graded depending on their seriousness. DM noted that section 4 provides a list of all the risks that they have identified as needing to be retained on the register. They have also provided a brief summary of the risk history of all risks whether they have been moved to the issues register or discharged. It was noted that section 5 is another new addition, which is a risk profile, this is a visualization of where they are with risk, before controls, after controls and also a visualization of the issues at present.

Section 6 provides some information on how the risk register links with the Corporate Governance structure. As noted by GM earlier in the meeting each risk will be taken to the appropriate Board and will have ownership.

LH thanked DM for a very impressive and comprehensive report.

LH queried if the risk profile is worsening or improving and asked if there are any trends or themes that could be examined to try and think about how those trends may manifest themselves in the future. It was noted that this may help JAC to plan its priorities and its examinations going forward. For example, if it is a worsening position, is the cause resources, skills and capabilities etc. this links in with work on the CGF and the FMS.

DM agreed and noted that it would be a great asset to add that to the work that they are currently doing with risk. DM noted that they previously didn’t have mitigations listed, it was therefore quite difficult to see the whole journey of a risk, now with the governance framework they are going to be able to score the risks throughout their journey and have an audit trail of changes. DM will discuss this idea with GM and will look to implement going forward.

IW noted that it would be useful to have the owner of each risk and Board of where the risk is being escalated to/ discussed at in order to make the ownership clear within the report. IW also asked if it would be possible to separate the risks into their sections rather than one continuous table in order to ease reading. DM agreed with these recommendations.

LH noted a small typo on the top of page 11 where venerable is used instead of vulnerable. LH also queried the risk in relation to the BMW N57 Engine failure and noted that other forces have introduced the mitigation for these vehicles to not be involved in high speed pursuits. LH wondered why this was not part of DPP mitigation. LH also queried whether the cost of new engines will have a financial implication for the force or will this be covered by BMW.

DM explained that the majority of the red risk cars have been grounded. DoF gave an overview of the issues they are experiencing in terms of costings and noted that discussions are ongoing due to a commercial dispute in relation to this matter. DoF will keep the committee updated on this matter.

The Committee thanked DM for the work undertaken in terms of the management of risk.

**A307 2021/2022: OPCC significant Corporate Risks**

ME welcomed CG to the meeting.

CG introduced herself as the Compliance and Performance manager for the OPCC. CG reiterated the positive changes that DM and the force have undertaken in terms of risk and noted that the OPCC are keen to mirror how the force are approaching risk. CG explained that in the interim the OPCC are currently going through an internal restructure with Estates also moving back to the force governance rather than OPCC.

CG noted that there has been one risk discharged, which was a predominantly an estates risk which is also on the Force register. CG also noted that one risk has been raised, this is the risk in relation to Commission services.

ME thanked CG for the update and the work undertaken.

**A308 2021/2022: Fraud Update**

ME noted the action which IW has promised to take forward earlier in the meeting in relation to making sure that JAC will receive a regular report on fraud activity.

**A309 2021/2022: Members Update**

CFO that unfortunately this would have been Andre Morgan’s last JAC meeting. The Committee passed on their sincere thanks to AM for all his contributions over his time on the Committee. CFO noted that they will be sending AM a gift and a letter of thanks from both the PCC and CC.

CFO also gave an update in relation to JAC recruitment and noted that positively they now have six applicants, shortlisting and interviews are scheduled to take place in a couple of weeks.

**A310 2021/2022: Update on data breaches**

ME welcomed DJ to the meeting.

DJ noted that the first section of the report covers Freedom of Information and it shows the number of requests received and closed, the graph shows that there were more requests being received on a weekly basis than were being closed during the period of October 2021 to February 2022.

DJ explained that the highest number of data protection cases processed by the disclosure unit are requests from the Probation Service at 33% and then 21% which are safeguarding requests. It has been recently agreed that the Probation Service will provide the force with some funding to pay for a part time position, this will be a great help to the department in relation to closing requests within the legislative requirement in respect to completion time frames.

DJ gave an overview of the next section of the report looking at FOI and Subject access requests and their timeliness.

DJ noted that there were 48 potential data protection breaches recorded during the period and three of those were referred to the Information Commissioners Office. Two out of the three that were referred resulted in no further action needed. They are awaiting the response from the final referral.

DJ noted that a few months back Policing Board requested that they record instances where they refer into PSD, this data has been included as part of the report and shows the data protection breaches which led to cases of improper conduct being reported to PSD. It was noted that the highest area of breaches was in relation to inappropriate sharing of data and the second highest was in relation to emails being sent to the incorrect recipient. The force have recently moved to Office 365, DJ has contacted ICT to establish if they can have a form of warning to check their details before individuals press the send button.

ME asked if it would be possible to have an additional column next to the figures to compare the figures to the next period. This would allow JAC to see if the mitigation idea has indeed helped drive improvements.

LH asked how lessons learned are communicated back to the organization. DJ noted that they have a Data Protection Advisor, who is responsible for the investigation of breaches and they have noticed that in some areas there is a pattern or a trend around requests. It was noted that sometimes it's a staffing or IT issue. The department do investigate trends and do make sure that the information asset owner or owner of the system is made aware to try and discuss how future breaches may be avoided.

IW asked if it would be possible to see some summary of the action taken arising from the breaches and the lessons learnt and how these have been applied across the organization. IW also asked if graph 2 could show the accumulative picture rather than just the movements in the month.

IW also asked if the recommendation of adding a warning prior to each email being sent, whether this decision will be taken to the relevant Board within the structure for approval. IW noted the high risk in relation to sending an email to the wrong recipient, but also noted the added time of having to clear a warning for every email that someone sends, may impact on productivity and efficiency.

IW asked if this will be brought to the Productivity and Efficiency Group for an assessment and impact discussion.

DJ noted this and stated that the decision will go to the relevant Board for approval, such as possibly the Information Assurance Board.

**A311 2021/2022**: **Any other business**

CFO noted that they are still waiting to hear more information in relation to the JAC annual All Wales Training day which is being hosted by South Wales this year. A date is still waiting to be confirmed but CB will be in touch once more information has been received.

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| DECISIONS ARISING FROM MEETING 23rd March 2022 | | |
| Decision No. | Decision Summary | Progress |
| Decision D292 | Decision D292: Subject to the noted required amendments the minutes of the meeting held on the 30th of November 2021 were accepted as a true record by the Committee. | Complete |
| Decision D301 | JAC recommend the Medium-Term Financial Plan including the Capital and Reserves Strategy 2022/23 – 2026/27 to the CC and PCC. | Complete |
| Decision D302 | JAC recommend the TMS to the CC and PCC. | Complete |

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|  | ACTION SUMMARY FROM MEETING ON (23rd March 2022) | | |
| Action No | Action Summary | To be progressed by | Progress |
| Action 292 | DoF to discuss the point in relation to the force not having ‘Records of Processing Activity’ (ROPA) in place which is a legal requirement with the DCC and to see if this can be considered by the Information Assurance Board going forward. | DoF |  |
| Action 292 | CB will seek approval of the minutes from KC and AM. | CB | Complete |
| Action 293 | For the wording within the JAC ToR, Corporate Governance Framework and CIPFA guidance to be cross referenced to ensure consistency. |  |  |
| Action 293 | For the CGF to be amended in line with the Committee’s observations. | OPCC | Complete |
| Action 293 | IW to speak with PSD to ensure that Fraud is reported in line with Policy and CGF ensuring clarity of understanding on definition of ‘urgent’. | IW |  |
| Action 298 | TIAA to work with IW to cut down the number of audit days to 160. | TIAA/IW | Complete |
| Action 299 | For a break down on the cost of the audit to be included in future plans to ensure transparency. | Audit Wales |  |
| Action 305 | OPCC to circulate the JAC draft Annual Report for feedback and approval. | CB | Complete |