

**Meeting: Joint Audit Committee**

**Venue: Police HQ**

**Date: 18th March 2020**

**Due to the current Coronavirus pandemic the meeting due to be held on the 18th of March 2020 was conducted electronically via email.**

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| **Members:** | Mr Malcolm MacDonald (MM)Mr Martin Evans (ME)Mr Andre Morgan (AM)Mr Alasdair Kenwright (AMSK)Ms Kate Curran (KC) |
| **JAC Attendees** | Mr Mark Collins, Chief Constable (CC) Mr Dafydd Llywelyn, Police and Crime Commissioner (PCC)Mrs Beverley Peatling, Chief Finance Officer (BP)Mrs Carys Morgans, Chief of Staff (CoS)Mr Edwin Harries, Director of Finance (DoF)Mr Ian Williams, Assistant Director of Finance (IW)Ms Helen Cargill (TIAA), (HC)Eleanor Bowdler, WAO (EB)Mr Huw Morgans, Risk & Business Continuity Management Advisor (HM)Miss Caryl Bond, Assurance Support Officer (CB) |
| **Declarations of Interest:** | None. |

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|  | ACTION SUMMARY FROM MEETING ON (3rd of December 2019) |
| Action No | Action Summary | To be progressed by |  Progress |
| **A134 2018/19** | **DC to check notes on CIPFA guidance to ensure correct date is on TOR in relation to the term length of members.** | **DC** | **Completed** |
| **A134 2018/19** | **PVP to provide feedback of audit to CoS in relation to the value that the Internal Audit brings to the organisation.** | **CoS** | **Completed** |
| **A135 2018/19** | **Caryl to check if Committee members have been incorporated into the portal and to circulate access details.**  | **CB** | **Completed** |
| **A136 2018/19** | **Chief Inspector Elaine Bendall will chase up with HMICFRS in relation to Sarah Cooper attending the next meeting.** | **Insp E Bendle** | **Completed** |
| **A141 2018/19** | **Any other comments on the Anti- Fraud and corruption Policy document to be sent to CoS.** | **Members** | **Completed** |
| **A142 2018/19** | **Committee to provide feedback to the OPCC on the JAC annual timetable.** | **members** | **Completed** |

**A149 2018/19:** **Minutes of the meeting held on 3rd of December 2019 and Matters Arising**

AK noted that the minutes refer to JB being present this needs amending to reflect HC as being present (A138).

**Action A149: CB to amend section A138 in the minutes to reflect that HC was present not JB.**

Update from CB: Completed

**Decision A149: Pending any needed amendments the minutes of the meeting held on 3rd of December 2019 were accepted as a true record.**

MM asked regarding the A143 ICT Infrastructure update. Is it possible for an update on the progress on the contractual issues that were being experienced?

**Action A149: For Members to receive an update on the progress on the contractual issues that were being experienced in relation to the ICT Infrastructure.**

**Update provided by Mark Hall in relation to the ICT infrastructure.**

**A150 2018/2019: Wales Audit Office Draft 2020 Audit plan**

MM noted that there is a typing error on page 4 paragraph 5 line 3 – should read “of” not pf.

**Action 150: WAO to amend the typo on page 4 within the WAO draft 2020 Audit Plan.**

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| **Questions from Members on A150:** | **Owner** | **Update:** |
| MM -Page 8 Has the audit deliverables document been issued and agreed? | **WAO** | Yes – issued to Karen Davies on 16th March 2020. No comments received and finance are working to this. |
| MM - Pandemic issues. Will the availability of staff resources for WAO and for Finance Officers be monitored? | **WAO/ DoF** | WAO: Yes – regular catch ups are held between WAO and finance to discuss the accounts preparation and audit timetable, resources and the best way to conduct the audit.DoF: This position is being monitored carefully with daily dial in calls with key members of the finance team. The finance team are fully equipped for agile working albeit it is recognised that there may be some difficulties as staff try to balance their work, family, home-schooling and health commitments.Both the CFO and DOF are in liaison with the WAO and a call has been arranged for w/c 5th April. There are fast paced conversations ongoing with in relation to the statutory framework and requirements with CIPFA intending to approve a Code which will seek to ease the financial reporting burden. Again the implications of this will be worked through in detail with the WAO. |
| MM -Are there any implications from the deferment of the PCC elections? Will there be a standard note prepared for all Police bodies? | **WAO/ DoF** | There are no implications for the audit from the deferment of the PCC elections.DoF: Re standard note – good suggestions - we will seek support for a standard note at the next WPRRG / DOFs meeting. |
| MM - Is there any update on the Value for Money Collaborate Value for Money review? | **WAO/ CFO** | WAO: The report has been finalised and was originally scheduled to be reported to Collaboration Management Board (CMB) on 9th March 2020 and All Wales Policing Group (AWPG) on 12th March 2020. The CMB meeting was cancelled and the AWPG requested that the report not be taken to AWPG until it has been to CMB. We are awaiting the rescheduling of these meetings to present the report to. DoF: A report has now been issued and has been discussed at Policing Board. This will now be considered by the All Wales Collaboration Board and an action plan will be developed. Financial aspects will undoubtedly be tasked to the Welsh Police Finance Resources Group for consideration and action. Policing in Wales (previously All Wales Policing Board) will also review their arrangements for the scrutiny of collaboration. The intention had been that the report would be presented at the JAC training day but this has now been postponed. The CFO has now clarified that the report will be formally reported to the next JAC meeting |
| MM - If further work will be required for Brexit preparations (page 16) will there be an additional charge for this work? | **WAO** | At this stage we do not anticipate any further work. There will be no additional charge for this work. |
| MM - Page 6 Finance staffing changes. Are there any concerns? | **DoF** | Changes within the team have stabilised but there continue to be inevitable turnover which is being managed carefully.  |
| MM- Will the “big Red Button” solution be available, appropriate training completed and be effective in producing the accounts? | **DoF** | Albeit that work carried on to develop the use of BRB and reconcile the 2018/19 position, a decision was taken in light of the current situation not to utilise for 2019/20. Utilisation will be further considered for 2020/21.  |
| MM - The McCloud Judgement (page 7). Is all the relevant information available for the IFRS 19 disclosures? | **DoF** | The data has all been requested from the pension administrators and there has been no indication that this will not be available albeit the position is being monitored in light of the current situation. |
| AK - Page 7 Audit Risk IFRS McCloud Judgement. Can DoF advise how we are placed? | **DoF** | As above. The position is similar to last year with the main impact being on the actuarial valuation of liabilities. This work has been commissioned and timescales are being monitored. |
| KC: Page 6 – typo in finance staffing changes. Is there a chance due to Convid-19 the big red button change could be postponed? | WAO | WAO: Typo noted.DoF: Although some progress has been made in respect of the Big Red Button, we will not be in a position to utilise this in time for 2019/20 financial year statements. We have been prioritising Financial Management Code Self- Assessment work rather than Big Red Button in 2020. Due to resourcing issues we will be generating the statements manually from finance system / spreadsheets although some changes in reporting will make this easier for 19/20. |
| KC: Page 7 – not sure when this report was written but I would query whether the level of materiality should be reviewed and increased to reduce pressure on both finance staff and auditors?  | WAO | There will be no change to the materiality levels that we work to. There are however discussions with CIPFA over changes to the CODE this year to potentially relax some of the requirements for the accounts in 2019-20. Further announcements will be made on this in April 2020. |

 Recommendation from KC and MM to the PCC and CC that the fee of £79,456 (as per last year) be accepted.

**Update:** Further update for all to note – IFRS 16 has now formally been delayed until 2021/22

**A151 2018/2019: HMICFRS Update**

Ch Insp Elaine Bendle:

The latest update is that the force has taken a centrally coordinated approach to FMS this year. The Demand Team have been providing demand data and analytical support to HODs and leads, with the support of a SPOC from the Business Improvement team to advise and support on their submissions.

The HOD returns will be sent to myself to quality assure to ensure writing is consistent and that any interdependencies are mapped/ articulated.

A Strategic Planning Event was held on 24th February, attended by the PCC to explain this year’s approach and how the FMS will be used for future financial planning and decision making.

Due to the fact that DPP are a pilot force for the new HMICFRS PEEL inspection framework, we have agreed to provide HMIC an unfinished draft of our submission on 18th MAY, ahead of the HMICFRS deadline. This is to support inspection and fieldwork.

FMS findings are likely to be presented at the next Strategic Planning Event in May.

**A152 2018/2019: Summary Internal Controls Assurance (SICA) report for 2019/2020**

Members noted the SICA report for 2019/2020.

**A153 2018/2019: The draft Internal Audit Annual Report**

TIAA Update: There will not be a draft Internal Audit Annual Report on this occasion as there are a number of audits that remain in draft or which haven’t been started.

**A154 2018/2019: To consider the draft Internal Audit Plan**

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| **Questions from Members on A154:** | **Owner** | **Update:** |
| MM - Page 7 Under Workforce the audit is shown as Wellbeing strategy. The details on page 15 state that this is to be changed to Workforce Planning. Please amend as appropriate. | **TIAA** | Amended |
| MM - On pages 14 and 16 the Capital Programme audit is stated as bi-annually but the following year’s programme shows audit time allocations in both years. | **TIAA** | Amended. |
| AK - Will coronavirus impact on the relative significance of various areas of work? Should we build in some flexibility? | **TIAA** | There is a likelihood that risks and priorities will change as a result of coronavirus. For example, there may be staff undertaking roles that they wouldn’t usually to cover sickness, increased home working, increased risk of fraud, all of which will potentially impact on the control environment.It is recommended that the plan is reviewed to consider whether audits should be replaced with others that consider these risk areas.  |
| KC: item 7 - page 2 1st paragraph - there is a sentence repeated, 6 lines down, then again line 13.     | **TIAA** | Amended |
| KC: Page 2 - its notes the days are fixed in contract, where does leave us with the pandemic and the chance that both TIAA and internal staff may not have the resource to do all the audits in the plan? | **TIAA** | Billing has historically been on the basis of completion of draft reports. If work is not completed it will not be billed for.If additional work is required we either remove audits from the plan or charge the additional days at the standard daily rate.As it stands we have sufficient resources to deliver the plan and as indicated in the attachments above, are working with our clients to start the audit work for 2020/21 by identifying areas where the audits can largely be completed remotely or where we can undertake a proportion of the work, focusing on directed / governance areas completing as much as possible off site with a view to issuing indicative opinions subject to completion of the testing once lockdown has ended. It is important that consideration is also given to the capacity of the Force to deal with audits during this period and in the aftermath when there is likely to be backlogs in leave and delays in the financial accounts audits taking place which will have a knock on effect on the audit timetable. |
| KC: page 4 - Convid-19/business continuity to be added into the risks? | **TIAA** | Added |
| KC: Page 11 - will be interesting to see the full scope of the fuel usage audit and what outcomes are expected from the audit, due to the differences in geography in the forces. | **TIAA** | The scope is currently being discussed with Gwent and South Wales. We have been asked to look at how arrangements differ between the Forces, the analysis of costs and how this is then interpreted and used to inform how vehicles are used. Both forces want us to look at fuel optimisation and also the impact of the BP free fuel offer and whether this has an effect on refuelling once the over as BP fuel prices are generally higher and officers re usually encouraged to refuel at Tescos/Asda where fuel is cheaper.We have not had the opportunity to discuss the planned audit scope with Dyfed Powys Police (we had tried to arrange a planning day on 7th April but without success) and will obviously take local views into consideration within the planned coverage. |
| ME: I would like clarification on how the GUARD Risk Analysis is compiled (page 4 of Audit Strategy Document) Can an item be re-classed by the Committee, and does the analysis provided have bearing on which matters are chosen for audit? | **TIAA** |  |

**A155 2018/2019: Internal Audit reports**

1. **Estate Management Delivery**

MM noted that the numbering of the detailed analysis is incorrect as the number 7 is used instead of 6. All the subsequent numbers are incorrect.

**Action 155: TIAA to amend the numbering within the Estate Management Delivery audit.**

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| **Questions from Members on A155 (a):** | **Owner** | **Update:** |
| MM - Has a review of the other body’s recommendations occurred, e.g. are procedures in place to ensure gas engineers working on police premises are registered on the Gas Safe Register. KC: Malcom’s point around gas safe is a good one and the same needs to be considered for all contractors doing work around H&S.  For example it is now best practice for contractors to be accredited to fit internally fire doors. | **HT** | All suppliers are suitably accredited for Gas and other technical or statutory scope of works. This forms part of the procurement and appointment of suppliers within DPP for such services. |
| MM - Has any use been made of the South Wales Contract Management Manual?  | **HT** | Not as yet, it has been received and the principles are being considered for application for ongoing procurement relationships. It certainly provide best practice for the management of ongoing supplier partner relationships and will be prioritised in the coming months. |

**b) Collaborative report for Debtors**

MM Noted that DP are the lead for this audit and that substantial assurance was given for DP. MM and AK noted that responses from DP were appropriate.

KC: I think its good practice that write offs happen on a regular basis, they can always be written back.  Excellent audit result.

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| **Questions from Members on A155 (b):** | **Owner** | **Update:** |
| MM - New Electronic system due for full implementation by January 2020. Has this been achieved? | **IW** | Not yet. FCC and Disclosure service continue to use paper documentation. BSU are responsible for the migration. Expected date was 31 March but now 30 August 2020. |
| MM - Considerable Increase in aged debtor. Is this being monitored?  | **IW** | Looking at the year on year 31 March position there remains an increase. This is due in part to collection of rental income (telecoms masts) and also due to timing of higher value invoices to other public bodies. A change in responsibility for credit control back to BSU from legal has been discussed but not enacted. Additionally a monthly “Working capital” working group / review meeting between Finance and BSU was proposed in February. The implementation here has been delayed but will commence at the first opportunity in May or June. This group would be responsible for more formal debt (and other) review, reporting and escalation. |

**C) Risk Management Mitigating Controls**

MM and AK noted that a substantial assurance with no recommendations made is very encouraging.

MM Noted that a HMRCFRS thematic review of one of the two risks considered in this audit is underway. (Pre-charge bail)

**d) Appraisal review of operational equipment**

MM noted that this was a reasonable assurance as there were 4 important and 5 routine action points together with 2 operational matters for consideration. Although the report highlights that for the majority of operational equipment there are effective controls in place the audit has highlighted some matters of concern.

The reputational damage to the Force is referenced on page 8 and prompt action is required for the matters referenced in the report.

MM - Regarding the laundry comments the contractual and performance review implementation date of the 30 September 2020 needs to be brought forward. This applies in addition to the 100% laundry check that should be completed promptly. MM also noted that there was a long delay before management responses were received.

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| **Questions from Members on A155 (d):** | **Owner** | **Update:** |
| MM - Is there a need for contingency support to the IS & T officer to be identified as it may be possible for others to provide the appropriate technical support but should there be a designated officer to be the backup support person?  | **Mark Jones/ Hywel Lloyd**  | We are in the process of assigning primary and secondary contacts for each of our in-house developed applications and the PAVA/Taser Admin system will form part of this. As stated previously, however, this particular application could be supported by any member of the development team as it is uses a technology stack which is familiar to all. |
| MM - Regarding the operational effectiveness matters, should there be both an implementation timetable and a responsible office column to enable monitoring to occur.  | **TIAA** | No. These are best practice suggestions for consideration by management which are not followed up by TIAA. |
| KC: I think this was probably only just a reasonable assurance with the number of action points arising from the audit.   Can we ensure that where bulletins have been issued to officers that these issue are reviewed in a few month’s time to make sure they are actually being done?   I would be keen to see recommendation 9 investigated further as purchasing new instead of cleaning is not very environmentally friendly. | **DoF** | Agreed. The bulletin is being supplemented by supervisory emphases checks and audits as supplementary measures. In respect of recommendation 9 - this is being reviewed. |

**e) Assurance review of Collaborate- Creditors**

MM noted as with any collaborative report it is a useful exercise to review the recommendations applicable to the other forces. Regarding the specific matters relating to DP the action taken and that proposed cover the TIAA findings.

**f) Grievance Reporting and Management**

MM noted that there is clearly action points that need addressing for a limited assurance assessment.

As stated in the report this HMICFRS Peel report highlighted that the administration processes were poor.

MM noted that the responses with an end date of 31 March 2020 needs to be maintained and the comment that there has to be confidence in the system is vital for it to be used and effective.

AK noted regarding Grievances. Rec 2 has an implementation date of 31/01/20 but the individual responsible for a report is not available until 13/03/20. Can we have an update as a matter of urgency?

**Action 155: For the Committee to receive an update in relation to Rec 2 having implementation date of 31/01/20 but the individual responsible for the report not being available until 13/03/20.**

Update received from Steve Cadene in relation to Rec 2 and reassurance given that In order to prevent this happening again, HR have put forward a recommendation that the process is automated with clear timescales for completion with any exception being reported to the People’s Board/Chief Officers.

**g) Collaborative Review -single online home project**

MM noted that the preparations for DP appear to be in hand and is essential to ensure that the detailed benefits analysis is completed.

AK noted the positive outcome of this audit.

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| **Questions from Members on A155 (g):** | **Owner** | **Update:** |
| Will the implementation date for the various phases be affected by the pandemic crisis? | Marie Mcavoy  | Yes, implementation of the various phases has been affected.  Dyfed Powys Police were due to go live on 15 April however a ‘change freeze’ has been applied in-force and therefore Single On-Line Home, along with other projects, has been delayed until further notice.  It should however be noted that as long as resources allow the project team will continue to progress with all SOH tasks behind the scenes in order to ensure force readiness when COVID-19 comes to an end. |
| Is the Welsh content availability still a risk? | Marie Mcavoy  | To date no Welsh content has been provided to any of the Welsh forces for review.  This remains a project risk however a lower risk at this moment in time for Dyfed Powys Police as we have delayed go-live. |

**h) Collaborative Assurance Review of Payroll arrangements**

MM noted a substantial assessment is reassuring and that the single operational matter response shows a very practical approach in achieving a paperless system.

**A156 2018/2019: Draft Joint Corporate Governance Framework 2020/2021**

MM noted that the table of contents requires a change to note year change to 2020/21

**Action 156: The table of contents in the Draft Joint Corporate Governance Framework gets changed to reflect the change of 2020/21.**

Update from Claire Bryant: Complete.

**A157 2018/2019: Medium Term financial Plan 2020/21 – 2025/26**

MM noted that this is a very useful comprehensive document and that although the precept determination for 20/21 is not a matter for JAC the assumptions that used for the later years of the Medium Term Financial Plan invite comment. Section 13 Future Funding notes the uncertainty of the future financial settlements but in setting out the assumptions enables an indication of the implications for future years. In reviewing the basis of these assumptions, I consider that they are realistic for the inflation rates set out in Table 16; regarding the proposed precept level of 5% in my opinion this is consistent with the Government’s move to placing a greater burden locally; and the cost reductions appear to be realistic. The major concerns remain the Comprehensive Spending Review, although policing is being treated as a high priority and the Funding Formula that could result in a greater emphasis on serious crime.

CFO & DoF: The comments are noted and valued – thank you. As a consequence of the current situation we have already been notified that the Comprehensive Spending Review will be postponed and clearly the legacy of the government’s financial support package and impact on the economy now raise additional financial risks both at a national and local level.

Appendix E risk assessment of material budgets is a very useful evaluation that is a very helpful summary of the pressures being faced in providing a police service to Dyfed Powys.

MM noted another difficulty, but outside of DP control, is the cost implications of the National Capital Initiatives. It is helpful that the revenue implications of capital investment are acknowledged as this is often overlooked.

DOF &CFO: Thank you, this issue is recognised and lobbying continues at every opportunity

AK noted the PCC’s exposition is clear and carefully delivered. I have, as I am sure all do, concern about changes in the government’s focus which may be occasioned by the coronavirus outbreak, and the impact this will have on planned funding. The ability of the local Council Tax payers may also be compromised if there are major changes to employment and income. All this casts doubt on financial strategies for the future. Obviously we don’t know how long the current situation will last and what the full impact will be.

AM noted the Medium Term Financial Plan is dependent on a considerable annual precept increase and a large reduction in reserves over the period of the plan. This was an acceptable medium-term strategy when the document was first drafted. My concern now is about the impact the corona virus will have on the first two of the four key risks set out in Section 16.10 of the report, namely Financial Instability and External Risks.

Does the newness of this crisis situation mean that it is too early to revise the current MTFP but to acknowledge in the plan that it may well need major revision in a year’s time or sooner? Or is it prudent to amend the plan now or to approve it on a provisional basis? I should be grateful to be advised on this matter.

DOF & CFO: The observations are noted and welcomed – thank you. As you quite rightly highlight, the Medium Term Financial Plan and Precept for 20/21 were prepared and approved prior to current situation. Discussion is taking place both at a national and local level to consider the exposure to financial risks both for 20/21 and beyond. The Strategic Risk register will be updated to reflect this evolving position. At present there has been no indication that there will be detrimental impact on specific grants for 20/21 albeit that this position will be monitored carefully especially in terms of Operation Uplift. Constructive dialogue continues between the Home Office/ Treasury/ PACCTS/ NPCC Finance and WPFRG. The Medium Term Financial Plan Group will consider implications at their next meeting which will be reported through Policing Board for the Commissioners and Chief Constables consideration. At this stage, it is considered too early to revise the MTFP.

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| **Questions from Members on A157:** | **Owner** | **Update:** |
| MM: Regarding the Capital strategy I have one question regarding 7. The disposal of assets. This implies that further sales will occur but is this allowed for in the Capital Receipts funding line.  | **DoF/ CFO** | The capital programme includes assumptions in relation to both the value and timing of proceeds arising from sale, albeit this will be subject to ongoing review.  |
| AM: My concern now is about the impact the corona virus will have on the first two of the four key risks set out in Section 16.10 of the report, namely Financial Instability and External Risks. Does the newness of this crisis situation mean that it is too early to revise the current MTFP but to acknowledge in the plan that it may well need major revision in a year’s time or sooner? Or is it prudent to amend the plan now or to approve it on a provisional basis? I should be grateful to be advised on this matter. | **DoF/ CFO** | As outlined above, it is considered too early to amend the MTFP or strategies. Given the fast paced situation all related decisions will be considered fully and made in the context of the current situation. |
| ME: MTFP - para 3.5 & 4.7.5 has the certainty of BREXIT altered the scale or timescale of anticipated impacts this process will present ? The issue is not listed as a 2020/21 Priority or Budget requirement at para 11 but is again highlighted at 15.4 as unquantifiable - is there no agreed starting point nationally as to what would be prudent to consider as best and worst case scenarios ? | **DoF/ CFO** | I believe that risks associated with the operational impact of Brexit for example mass protest etc. have largely been at least delayed if not avoided by the election outcome and timescales have been extended until the end of the current year in relation to exact trading impacts etc. I believe that the biggest impact on reserves would have been the operational impact of responding to mass protest. Equally, the financial implications on prices of goods and services is yet to be seen and has somewhat been overtaken by the current situation. Dialogue continues at a national, regional and local level on this. The negotiations on future trading relations have hardly begun and therefore it is difficult to assess at present. See also the below. |
| ME: Additionally in the risk register BREXIT uncertainty is scored as 6 down from 10 (ref 11/18/01) so this suggests along with it not being a Priority matter the issue is quantifiable and not particularly over bearing ? Does the committee feel the narrative points provide a clear position? | **DoF/ CFO** | The observation and question is welcomed and raises that there is perhaps an inconsistently in the narrative within the MTFP and that of the risk register. Would suggest an action for CFO/DoF to link in with the Brexit lead and Head of Procurement to review the current position. Would however suggest that the MTFP remains unchanged. |
| KC: Just a query on page 39 where is states the force will be losing one accountant role as part of its efficiency plan but there were concerns around finance staff resources in the WAO plan?  I approve the plan, reserves and capital strategy.  | **DoF/ CFO** | Thank you for the query. The Corporate Finance team was restructured in 2018/19, with the establishment of additional resource and has been kept under review in the meantime. Funding for the post has been earmarked towards a benefits officer which was one of the key gaps in relation to HMIC AFIs.  |

**Action 157: MM noted that the capital programme set out for 2020/21 has a rounding error. The grant funding and the capital grant figures are opposite to that shown in the table in the Treasury Management Strategy.**

**Decision 157: Recommend the approval of the Reserves Strategy to the CC and PCC.**

**Decision 157: Recommend the approval of the Capital Strategy to the CC and PCC.**

**A158 2018/2019: Treasury Management Strategy**

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| **Questions from Members on A158:** | **Owner** | **Update:** |
| MM:Are the contractual arrangements with Arlingclose Limited due for renewal? | **DoF/ CFO** | Yes, an extension was given until July 2020. A procurement exercise was planned but the position is now being considered in light of the current Coronavirus situation. Further discussions will be required and suggest that the Chair of JAC be involved to inform considerations |
| ME: Recommended for approval but with question if mid-term review required considering recent financial events and base rate changes? | **DoF/ CFO** | Noted and agreed. |

**Decision 158: Recommend the approval of the Treasury Management Strategy to the CC and PCC.**

**A159 2018/2019: Draft Accounting Policies for 2019/20 Statement of Accounts**

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| **Questions from Members on A159:** | **Owner** | **Update:** |
| MM: Page 6 I think “Heading Amortisation of Intangible fixed assets attributable to the service” need to be moved up to be over the previous point starting Intangible Assets. If so, a new heading is required on the lines of “Accounting for annual contribution from revenue” | **DoF/ CFO** | Noted and agreed |
| ME: Page 7 collaborative arrangements. Suggest the word new is removed as it is no longer new. Suggest a change to: “The CIPFA guidance on Accounting for Collaboration requires the Commissioner (etc)” | **DoF/ CFO** | Noted and agreed |

**A160 2018/2019: Annual Accounts timetable**

Update: Discussions are ongoing with the Wales Audit Office in relation to the potential implications for the production and audit of the statutory accounts.  The Wales Audit Office are in dialogue with Welsh Government and it is expected that there may be a relaxation to statutory timescales.  We are expecting a formal update from the WAO and will circulate to JAC members in due course.

MM noted dates for member’s meeting 17 June 2020 and JAC on 29 July 2020. There is a need to ensure that the appropriate persons will be available to sign the documentation in July.

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| **Questions from Members on A160:** | **Owner** | **Update:** |
| KC: item 14 - happy with the timetable, would be good to have some feedback from EH if this is still achievable? | **DoF** | Please see response to A150 above – position being monitored on a daily basis but as of 2nd April still working to timetable albeit noting that dates have been extended by South Wales Police for return of collaborative financial position. Further meeting with WAO this afternoon 8.4.20 to discuss. |

**A161 2018/2019: Draft Joint audit Committee Annual Report 2019/20**

MM noted that the intention was to include new photographs but this is not possible with no meeting having occurred. The priorities for the Committee in 2020/21 are set out in the Annual Governance Statement and included here.

AM: I am happy with the contents of the draft JAC Annual Report and think that two of the priorities for the coming year should be: Risk Management, inevitably focusing on the impact of the corona virus on various aspects of the Force’s activities, finances, plans and strategies and an effort to contribute towards increasing the number of Internal Audit Reports which are awarded a classification of Substantial Assurance. This contribution can be facilitated by formalising JAC’s link with the Audit and Quality Assurance Group.

ME: I would like to see similar focus in 2020/21 to ensure what we have considered, recommended and overseen becomes ingrained as standard practice. As I write this I cannot begin to foresee the additional distractions and challenges placed on the force over recent and forthcoming months and we should perhaps understand if this will have a bearing on our focus of certain matters.

KC: I would like to see the committees prioritise to be focussing on gaining more assurance through other avenues as well as internal audit.

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| **Questions from Members on A161:** | **Owner** | **Update:** |
| KC: Happy with the JAC annual report, although it does reference the joint training day in April which I think has been postponed? | **CB** | JAC Annual Report amended. |

**A162 2018/2019: Draft Commissioner’s and Chief Constable’s Annual Governance statement 2019/20**

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| **Questions from Members on A162:** | **Owner** | **Update:** |
| MM: It needs a consistent approach to force or Force in the text. | **KP** | **Done**  |
| Typing changes identified/queries seen* Section A last line bene to be changed to been
* Section C penultimate sentence should the word Violence be added twice
* Section D para 6 need to remove r from Officer
* Section f para 4 Feb needs to be February
* Review of effectiveness para 3 202, should be 2020
 | **KP** | **Done** |
| MM: Agree with the completed action points. Suggest another section before the actions remaining in progress setting out in summary those actions that have been completed.  | **KP** | **done** |
| MM: The detail in the Action process boxes need to be summaries to show key points  | **KP** | **Done** |
| MM: In section G should there be a reference to WAO and HMICFRS activities in respect of good practises. JAC receive WAO reports and updates re HMICFRS? | **KP** | **Done** |

**Update from KP: AGS updated with amendments.**

**A163 2018/2019: Force significant Corporate Risks**

MM: This is a comprehensive update report backed by the full risk register being made available to enable assessment against the future internal audit work in particular. Clearly the current pandemic crisis is being effectively managed with the establishment of the Coronavirus Gold Group. The TIAA review referenced above highlights the effectiveness of the work on Risk Management service.

AK: 17 and 18. Risk Review. Good to see that a raft of risks are under constant review and the risk levels adjusted as appropriate. Some, e.g 11. Brexit and 14 could well shift.

Members were provided with detailed information in relation to each of the Risks by the Risk & Business Continuity Management Advisor.

**A164 2018/2019: OPCC significant Corporate Risks**

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| **Questions from Members on A164:** | **Owner** | **Update:** |
| MM: It would be useful if the update report could be set out in the same format as the update report for the Force. | **CG** | Force format will be utilised for all reports going forwards |
| MM: Consideration to be given to having an update report to each JAC meeting as there are a number of key actions due to occur by March 2020  | **CG** | Report can be provided at each meeting, as requested. |

**A165 2018/2019: Actions of Corporate Governance Group meeting 27 February 2020**

Members noted the actions from the Corporate Governance Group meeting.

**A166 2018/2019: Update from the Audit and Quality Assurance Group meeting**

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| **Questions from Members on A166:** | **Owner** | **Update:** |
| MM: noted that it needs a consistent approach to force or Force in the text. | **CoS** | Amended as suggested. |
| ME: I would like to understand required commitment of this role to see if I can assist. | **CoS** | The meeting will be held once a quarter for approximately 2 hours. Papers will be circulated in advance. The thinking behind inviting a member of JAC to be in attendance is so that they can provide assurance (or otherwise) to other members on processes being put in place to ensure TIAA recommendations are considered and progressed in a timely manner.  |

MM noted that JAC need to appoint a member for the group. AM supports the suggestion that a member of the Joint Audit Committee should sit on the Audit and Quality Assurance Group in order to advise and support the Group. KC Agreed it would be good to have a member of JAC sitting on the Audit and Quality Assurance Group.

**A167 2018/2019: Members updates**

MM stated that the St David’s Day conference on Rural Policing was excellent

**A168 2018/2019: Annual Training Day update**

OPCC update: The Annual Training day scheduled for the 30th of April has been postponed until further notice.

**A169 2018/2019: Any other business**

1. **Code of Conduct**

All members have reviewed and signed the code of conduct and copies have been electronically returned to the OPCC.

AK: I was pleased to see from the papers that a Coronavirus Gold Group has been set up. It will have a lot to do. I have noted many instances throughout the agenda where the current crisis will impact on the work of Dyfed Powys Police.

Due to Coronavirus members may be required to be housebound for some time and I am wondering if consideration can be given to using Facetime or other technologies to deal with any future meetings which may be affected.

**Action 167: OPCC to explore options of holding future meeting via skype etc. should members be unable to meet in person.**

Update: This is ongoing – options are being explored with an email being sent to all Members asking for clarity on their IT facilities/ skype access.

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| DECISIONS ARISING FROM MEETING 18th March 2020 |
| Decision No. | Decision Summary | Progress |
| **D149:** |  **Pending any needed amendments the minutes of the meeting held on 3rd of December 2019 were accepted as a true record.** | **Complete** |
|  **D157** | **Recommend the approval of the Reserves Strategy to the CC and PCC.** | **Complete** |
|  **D157** | **Recommend the approval of the Capital Strategy to the CC and PCC.** | **Complete** |
|  **D158** | **Recommend the approval of the Treasury Management Strategy to the CC and PCC.** | **Complete** |

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|  | ACTION SUMMARY FROM MEETING ON (18th March 2020) |
| **Action No** | **Action Summary** | **To be progressed by** |  **Progress** |
| **A149** | **For Members to receive an update on the progress on the contractual issues that were being experienced in relation to the ICV Infrastructure.** | **Mark Hall** | **Complete** |
| **A149** | **CB to amend section A138 in the minutes to reflect that HC was present not JB.** | **CB** | **Complete** |
| **A150** | **WAO to amend the typo on page 4 within the WAO draft 2020 Audit Plan.** | **WAO** | **Complete** |
| **A155** | **TIAA to amend the numbering within the Estate Management Delivery audit.** | **TIAA** | **Complete** |
| **A155** | **For the Committee to receive an update in relation to Rec 2 having implementation date of 31/01/20 but the individual responsible for the report not being available until 13/03/20.** | **HR** | **Complete** |
| **A156:** | **The table of contents in the Draft Joint Corporate Governance Framework gets changed to reflect the change of 2020/21.** | **Claire Bryant** | **Complete** |
| **A157** | **MM noted that the capital programme set out for 2020/21 has a rounding error. The grant funding and the capital grant figures are opposite to that shown in the table in the Treasury Management Strategy.** | **Finance** | **Complete** |
| **A167** | **OPCC to explore options of holding future meeting via skype etc. should members be unable to meet in person.** | **OPCC** | **Complete** |

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| ONGOING ACTIONS SUMMARY FROM PREVIOUS MEETINGS |
| **Action No** | **Action Summary** | **To be progressed by** |
| **A97 2017/18** | **CoS to consider where the trust legally sits in terms of its link with the OPCC.** | **OPCC**  |

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| Documents circulated to Members since 18th of March 2020 |
| **Name of document** | **Date shared** |
| **Covid19 Audit Plan Update letter** | **30/04/2020** |
| **Preparation and Publication of Statutory Financial Accounts for 2019-20 - WAO Accounts deadline letter** | **01/05/2020** |
| **WAO Audit Plan update letter - Richard Harries** | **06/05/2020** |
| **Innovation in Action - TIAA briefing** | **11/05/2020** |
| **Audit Wales - Letter to Chief Executives** | **11/05/2020** |
|  **JAC annual Report**  | **01/06/2020** |