



SWYDDFA COMISIYNYDD HEDDLU
A THROSEDD GOGLEDD CYMRU
OFFICE OF THE POLICE & CRIME
COMMISSIONER NORTH WALES



**HEDDLU
GOGLEDD CYMRU
NORTH WALES
POLICE**

JOINT AUDIT COMMITTEE

**1pm – 4 December 2024
Online by Microsoft Teams**

AGENDA

Attendees:

JOINT AUDIT COMMITTEE:	
Rachel Barber - Chair John Cunliffe Allan Rainford	Julie Perkins Dr Norma Barry
FORCE OFFICERS:	
Seb Phillips – Director of Finance & Resources Guto Edwards - Head of Finance Helen Williams - Financial Control Accountant Anne Matthews – Finance & Budgets Officer Chief Superintendent Simon Williams – Corporate Services	James Sutton – Head of Business Intelligence/Chair of Assurance Board Helen Wynne-Williams, Head of Technology Stephen Furniss – Head of Infrastructure
OFFICE OF THE POLICE AND CRIME COMMISSIONER:	
Wayne Jones – Deputy Police and Crime Commissioner Stephen Hughes – Chief Executive Officer Kate Jackson – Chief Finance Officer	Angharad Jones – PA to the Chief Executive Rebecca Jackson – Modern Apprentice
OTHER ATTENDEES	
Fiona Roe, TIAA	Michelle Phoenix, Audit Wales

	Standing Items		Purpose	Page	Time
1	Apologies & Declaration of Interest	Chair			
2	Minutes of the last meeting The Chair shall propose that the minutes of the meeting held on 25 September 2024 and 31 October 2024 be approved as a true and accurate record	Chair		3-16	5 Mins
3	Actions Log	Chair		17-27	5 Mins

Standing Items					
4	Organisational Update	Chief Executive Officer & Director Finance and Resources	Information	28-35	5 Mins
5	HMIC Update – incl. PEEL Review	Chief Inspector Corporate Services	Assurance	36-39	5 Mins
6	Internal Audit a. Internal Audit SICA 2024/25 and opinion 2023/24 b. Management Report incl Internal Audit Report Opinion	a Internal Audit b Director Finance & Resources / Budget Officer	Assurance	40-49	10 Mins
7	Risk Update - Risk Process Development & Current Risk Register - Assurance Mapping - OPCC Risk Register	Head of Business Intelligence Chief Executive Officer/Chief Finance Officer	Assurance	50-55	10 Mins
8	Work Programme for 2024/25 and 2025/26	Director Finance and Resources and Chief Finance Officer	Decision	56-62	5 Mins
Substantive Items					
9	Treasury Management Performance	Head of Finance	Assurance	63-73	5 Mins
10	Legal Report	Force Solicitor	Information	74-93	5 Mins
11	Governance Update – incl draft AGS	Chief Finance Officer	Information	94-97	5 Mins
12	Briefing - Fleet Management Assurance	Fleet Manager	Assurance	Presentation	
AOB (Advise the chair ahead of the meeting)					
DATES OF FUTURE MEETINGS 25 March 2025 29 July 2025 28 October 2025 16 December 2025					



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POLICE**

JOINT AUDIT COMMITTEE

Through Teams
25 September 2024 at 13:00

PRESENT

JOINT AUDIT COMMITTEE:

Rachel Barber – Chair
John Cunliffe
Allan Rainford
Julie Perkins
Dr Norma Barry

FORCE OFFICERS:

Seb Phillips, Director of Finance & Resources
Guto Edwards, Head of Finance
Helen Williams, Financial Control Accountant
Anne Matthews, Finance & Budgets Officer
Chief Inspector Simon Kneale, Corporate Services (Item 1-5 only)
James Sutton, Head of Business Intelligence
Patricia Strong, Head of Procurement (Item 10 only)
Dewi Williams, Management Accountant
Kerrie Ambrose, Corporate Head of Change

OFFICE OF THE POLICE AND CRIME COMMISSIONER:

Wayne Jones, Deputy Police and Crime Commissioner
Stephen Hughes, Chief Executive
Kate Jackson, Chief Finance Officer
Angharad Jones, Executive Assistant (minutes)
Rebecca Jackson, Modern Apprentice

OTHER ATTENDEES

Michele Phoenix – Audit Wales
Jonathan Maddocks, Internal Audit

1. APOLOGIES AND DECLARATIONS OF INTEREST

Apologies received from Fiona Roe – Internal Audit, Chief Superintendent Simon Williams – Corporate Services.

There were no declarations of Interest.

2. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 30 July 2024 were agreed as a true record of the meeting with one change to first sentence under section 10 to read “content of the Audit Wales Plan for 2024”.

ACTION LOG

The Action Log was updated and will be circulated with the minutes. Actions recommended closed and agreed closed were: 30/07/24 – 4, 7a, and 10.

4. ORGANISATIONAL UPDATE

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

Office of the Police and Crime Commissioner

Joint Audit member noted that the Checkpoint is a commissioned service and questioned whether Joint Audit Committee had received a report regarding the commissioning activity/processes of the Office of the Police and Crime Commissioner. If not, recent paper received requested that a paper be received at a future meeting explaining the range of commissioning activities undertaken by the Office of the Police and Crime Commissioners and its approach.

Chief Executive noted that an update had been provided in the past by the Commissioning Manager which had focused on the Safer Streets funding received but happy to provide further update.

Chief Executive also noted that the commissioning services of the Office of the Police and Crime Commissioner had recently been subject to an internal audit review where substantial assurance had been received for third time in five years.

Action 4a	Chief Finance Officer to place update on the Commissioning work being undertaken in the Office of the Police and Crime Commissioner on forward work plan for 2025/26.
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Joint Audit member stated that it would be useful to better understand the remit of the Out of Court disposal panel and Professional Standards Scrutiny Board and queried the role of the Joint Audit Committee in the assurance provided by these meetings and asked for further information.

Chief Executive Officer stated that an update on the work of the Professional Standards Scrutiny Board is given to the Police and Crime Panel and that the Panel have member champions on this area of work. Happy to provide Joint Audit members with the same verbal briefing as member champions or alternatively provide a written briefing for the closed session.

Joint Audit Member noted that this update paper was different in content from updates provided previously and asked if this had been triggered by concerns. It was noted that it was helpful to have insight into governance but questioned what happens if not happy with what has been discussed.

Chief Executive Officer conceded that this paper is very different as not much time had elapsed since the last meeting wanted to explain these committees' functions and if any areas of concern were identified, these issues would be fed back to the Police and Crime Commissioner and Chief Constable and if needed escalated to the Strategic Executive Board.

Any concerns arising from these boards in future will be reported to the Joint Audit Committee.

Action 4b	Chief Executive Officer to report any concerns arising from Scrutiny Boards with the Joint Audit Committee in future.
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North Wales Police

Joint Audit member noted that the capital spend for this year had risen by £800,000 from that noted in the capital strategy and asked if this was because of new schemes or openings from future years and questioned whether an updated Estates Strategy had been produced as estates such a significant factor for capital spend.

Director of Finance and Resources noted that revision in budget noted in the report was due to slippage from the previous financial year with the Caernarfon refurbishment being a significant part of this. It was reported that budget holders meet to discuss the capital forecast at various times during the year and report thereafter.

It was also noted that the Estates Strategy is an existing document but there is current work ongoing to revisit and refresh it. It is hoped that a draft will be produced by the end of September with a view to finalise by the end of October and happy to bring back to the committee for scrutiny and review.

Action 4c	Chief Finance Officer to place the Estate Strategy on the 2025/26 forward work programme.
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Joint Audit member questioned the talent mapping survey recently undertaken and asked if the process/outputs will be shared with members.

Director of Finance and Resources stated that there will be sensitivities around the outputs but will share the process approach and consider how best to communicate content of survey.

Action 4d	Director of Finance and Resources to share Talent mapping process approach with members and consider best way to communicate content of survey.
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Joint Audit member questioned the timetable for the replacement of copper-line infrastructure and how this will affect the 999-response time.

Director of Finance and Resources stated that much work is taking place and the latest timeline for replacement is October. This replacement should improve the 999 response times by several seconds.

Joint Audit member also questioned the McCloud pension remedy and whether this poses a financial risk to North Wales Police.

Director of Finance and Resources stated that there isn't a local financial cost associated with the remedy itself as covered through national pension arrangements, but the cost of delivery and administration does involve some local costs. The implications for employer pension contributions are included in the overall rate and the increase in this area was funded centrally. Some of the local costs of administering and delivering the work associated with McCloud must be covered locally.

Chief Finance Officer stated that, unless the additional cost to the Home Office is funded by HM Treasury, there may be a hidden cost that we would not be able to quantify, as less funding may be received from government grant in the future.

5. **HMICFRS UPDATE AND ACTION TRACKER**

Joint Audit Committee members noted the update provided within the paper on the PEEL 2024 inspection interim findings and on future planned inspections.

The draft PEEL report is due on 30 September, and this will be the first sighting that North Wales Police have had on the gradings given. The Force will have 14 days to review and challenge/agree to the recommendations with the final report likely to be issued at the end of November/beginning of December but will be under embargo until HMIC publicly disseminate.

6. **INTERNAL AUDIT**

a. INTERNAL AUDIT SICA 24-25

Joint Audit Committee noted the update provided within the paper which provides an update on progress made against the 2024-25 Annual Plan and on the emerging Governance, Risk and Internal Control related issues as of 4 September 2024.

Chair enquired as to why the collaborative team audit had been cancelled and whether there were any plans for when this audit will take place.

Director of Finance and Resources stated that this audit had been discussed at Finance JAG meeting and a view taken that that position wasn't mature enough for an audit. There is no plan yet when this will be done but Director of Finance and Resources will discuss further with colleagues and report back to the committee.

Action 6a	Director of Finance and Resources to discuss likely timeline for collaborative audit and report back to the Committee.
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Joint Audit member noted that there seemed to be slippage against the annual plan and asked whether internal audit was comfortable that the plan would be completed.

Internal Audit noted that they were confident that the plan would be completed but would have greater certainty when the ICT audits had been timetabled.

Joint Audit member questioned how officers are making sure that new legislation is being highlighted to those officers that need to know and assurance that these officers are being provided with the training needed and asked if there was a central log that notes all legislative changes and the organisations readiness for these changes.

Director of Finance and Resources stated that when the Force receive information from the Internal Auditors that they have a process in place to make sure that this information is distributed to the officers who need to know. It was noted that this is an established process that seems to be working. All departments have processes in places to make sure that new legislation is being incorporated into their day-to-day work.

It was also reported that there is no central log that would run through the governance board but will enquire with the Force solicitor and report back

Action 6b	Director of Finance and Resources to enquire with Force Solicitor if central log held where all new legislative changes are noted.
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Chair noted that internal audit standards are changing from April 2025 and noted that the relationship between Internal Audit and the Force must become more robust and questioned whether assurance could be given to the Committee that the Force will be ready for these changes.

Director of Finance and Resources noted that a paper will be brought to a future meeting giving assurance that North Wales Police are ready for these changes.

Action 6c	Paper providing assurance that North Wales Police are prepared for the new internal audit standards to be added to the forward work plan.
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b. INTERNAL AUDIT OVERVIEW – MANAGEMENT REPORT

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

It was reported that North Wales Police are happy with the progress made against the audit plan. It was noted that the ICT audits are awaiting dates, but that progress is being made with the vetting of new auditors for resilience.

Joint Audit Committee member noted that the e-recruitment platform states that the schematic for operational governance is out of date and questioned if this is a national issue or if this specifically relates to NWP.

Director of Finance and Resources stated that it is the schematic 22A agreement that is not up to date and explained that this is a legal agreement which binds the 4 Welsh forces. The North Wales Police legal team has distributed the document to the other forces, and this is an issue that has arisen from this.

7. **RISK UPDATE**

Joint Audit Committee noted the update provided within the Risk Update paper which provided members with an update on the organisational risk process and an oversight of the current risks recorded by North Wales Police and the Office of the Police and Crime Commissioner.

JAC member noted it would be useful to have more detail on the link between the treatment of a risk and it being closed within the executive summary as no detail is included within the report and

difficult to understand the link between risks being raised and closed with no assurance given on how this has been achieved.

Head of Business Intelligence agreed that a summary of the activity that has taken place to bring the risk down to a level that the organisation is happy to accept would be provided within future papers.

Action 7	Head of Business Intelligence to include within future Risk Update paper a summary of actions which have taken place to bring risk level down to an acceptable level.
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8. WORK PROGRAMME FOR 2024/25

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

Chair enquired whether a few items scheduled to be discussed at the December meeting could be moved into the October meeting as December meeting agenda appears very full.

Action 8a	Chief Finance Officer to review work programme and consider if any items could be placed on the October meeting agenda.
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Chair enquired if the Committee could have sight of the Whistleblowing procedure and further insight on how this is dealt with in the Office of the Police and Crime Commissioner and North Wales Police.

Chief Finance Officer to place on the forward work plan and Director of Finance and Resources stated that the Head of Professional Standards would be best to deliver as much assurance available.

Action 8b	Chief Finance Officer to add Whistleblowing to the future work programme and ask Head of Professional Standards Department to prepare paper for discussion.
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Joint Audit member questioned whether the July 2025 for the signing of the ISA 260 is optimistic and queried whether an October meeting has also been scheduled.

Audit Wales confirmed that the deadline for signing of the ISA260 is 31 October for 2025 and that is very unlikely to be ready for July 2025.

Action 8c	Chief Finance Officer to update the forward work plan to show the signing of the ISA 260 in October 2025.
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9. HMICFRS VALUE FOR MONEY PROFILES

The Joint Audit Committee noted the content of the presentation provided by the Force Management Accountant on the HMICFRS Value for Money Profiles.

Joint Audit Committee member agreed with the conclusions, that information contained within this presentation is only part of the picture and need to add other information to provide full and

complete picture on value for money but asked if there is anything that stood out from looking at this data i.e. investigations showing North Wales Police at the bottom at 32 and asked if the Force were expecting this.

Management Accountant stated that the year-to-year data seems to be quite consistent, and that the data is used in conjunction with others and will drill into to supplement and support.

Joint Audit member questioned the change in calculation of population and how this could impact on funding. It was also asked if this issue was being recoded on the risk register and if recorded would this issue be placed the risk register of the Force or that of the Office of the Police and Crime Commissioner.

Management Accountant stated the North Wales Police is very alive to this issue and stated that the funding formula is very variable, and officers stated that is part of the financial risk that North Wales Police don't have enough resources but likely to draw specific risk on funding formula as and when this happens. It was reported that north Wales's population had increased 6% but that some others had increased by 25% and therefore this might affect the new funding formula. The Chief Finance Officer added that a funding formula only apports the available grant among PCCs, and does not reflect the actual amount of money each force area needs.

It was recognised that the Force needed to be engaged on the funding formula with the new government.

Joint Audit member questioned the support functions cost per FTE and questioned where the procurement department fit into the figures quoted.

Management Accountant reported that the Procurement Department are included under "other" and not under Finance. It was also noted that the cost of OPCC is not included within these figures and that this is an important factor as in some areas more work is undertaken within the OPCC. It must be acknowledged that these figures are not always a like for like comparison.

Chair stated that they would be interested to see how we triangulate this and how we take value for money as a whole to make sure that North Wales is as efficient as can be and questioned how this information along with everything else is taken to drive action forward.

Director of Finance and Resources to take action to provide further details to the Committee on how this information drives efficiencies within the organisation.

Action 9	Director of Finance and Resources to provide details of how the information held is used to drive efficiencies within the organisation.
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10. PROCUREMENT ACTION 2023

The Joint Audit Committee noted the overview provided by the Director of Finance and Head of Procurement into the changes being introduced that public sector organisations need to adopt and the Force's preparation in relation to these changes.

Joint Audit member questioned whether the new legislation would add more time to the procurement process and effect capital spend and questioned whether it will have a material impact.

Head of Procurement noted that the new legislation will influence the process as it will take longer as more notices have to be taken into account and additional timescales have been introduced.

Joint Audit member noted the good assurance given of the Force's preparation but questions whether there will be a need for more resources

Head of Procurement noted that it was hard to say whether further resources were needed until a procurement exercise had taken place under the new legislation. It was noted that it would be premature to act now and will have to review in 6 months' time as having more resources wouldn't decrease the timelines.

Action 10	Head of Procurement to provide Joint Audit Committee with an update in a years' time. Chief Finance Officer to Procurement update to the forward work plan in September 2025.
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11. GOVERNANCE UPDATE

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

Chair questioned whether the Governance Board work programme includes that AGS consultation in December and January.

Action 11	Chief Finance Officer to inform the Committee if the AGS consultation is included within the Governance Board work programme.
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12. ANY OTHER BUSINESS

October JAC Meeting – Signing of the Accounts

Chair asked officers if the Joint Audit Committee members could have a 10-minute private meeting with Audit Wales at the start of the October meeting.

Action 12	Chief Finance Officer to include at start of the agenda for the October meeting, private discussion between Joint Audit members and Audit Wales
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The next Joint Audit Committee meeting to sign the accounts will be held 31 October 2024 through Teams and the next Joint Audit Committee held on 4 December 2024 at 1pm as a hybrid meeting: in person at Conference Room 1, FHQ Colwyn Bay and over Microsoft Teams.



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JOINT AUDIT COMMITTEE

**on-line through Teams
31 October at 13:00**

PRESENT

JOINT AUDIT COMMITTEE:

Rachel Barber – Chair
Norma Barry
John Cunliffe
Allan Rainford

FORCE OFFICERS:

Amanda Blakeman – Chief Constable
Seb Phillips – Director of Finance & Resources
Guto Edwards - Head of Finance
Helen Williams - Financial Control Accountant
Wendy Lloyd – Financial Accountant
Anna Pretious – Environment/Energy Conservation Manager
Hayley Gallienne – Head of Information Assurance

OFFICE OF THE POLICE AND CRIME COMMISSIONER:

Andrew Dunbobbin – Police and Crime Commissioner
Wayne Jones – Deputy Police and Crime Commissioner
Kate Jackson – Chief Finance Officer
Meinir Jones, Executive Officer
Angharad Jones – Executive Assistant (minutes)
Rebecca Jackson – Modern Apprentice

OTHER ATTENDEES

Steen Gourlay, TIAA
Michelle Phoenix, Audit Wales
Robert Gore, Audit Wales

1. APOLOGIES AND DECLARATIONS OF INTEREST

Apologies received from Julie Perkins, JAC member, Chief Superintendent Simon Williams, Corporate Services, Stephen Hughes – Chief Executive Officer, Fiona Roe, Internal Audit.

The Chair had shared points / questions raised by JAC member who could not attend, in advance of the meeting. Officers would address these in the course of the meeting.

2. ISA260 AND SIGNING OF ACCOUNTS

Head of Finance highlighted the process undertaken to draft the accounts for 2023/24 explaining that the accounts must be signed by 30 November 2024. No uncorrected misstatements remain, and only one misstatement was identified during the audit, which was corrected.

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

Joint Audit member offered their praise to the Finance Team for the outstanding set of accounts and noted that others aspire to produce the same quality of accounts as North Wales Police. It was noted that the one corrected statement on officers' remuneration featured within the last accounts questioned why this appears again.

Head of Finance stated that this misstatement occurred because the final figures had not been received when the accounts are first drafted.

Joint Audit member stated that they noticed within the technical briefing notes that some specific actions are still outstanding and questioned how JAC will be kept informed of progress and queried whether giving a deadline for completion would help to focus action. Joint Audit member also questioned the post project learning exercise and asked whether the action plan will be brought to the Joint Audit Committee's attention when complete.

Director of Finance and Resources stated that the action plan is working its way through with a number of the ongoing actions being closely linked to the organisational planning process. The update included within the covering report was a paper presented to the Joint Governance Board in September and that further work has been undertaken since.

It was also noted that placing timelines for completion of actions would ensure transparency for all and noted that further updates will be provided to the Joint Governance Board.

Joint Audit Members and Chair thanked all parties for their hard work in achieving an unqualified set of accounts and for involving the Joint Audit Committee in this process.

The Joint Audit Committee resolved as follows:

In accordance with its Terms of Reference, the Joint Audit Committee has reviewed the Annual Financial Statements for the year ended 31 March 2024 of the Police and Crime Commissioner and Chief Constable and has considered the external auditor's reports thereon. The Joint Audit Committee confirms that there are no unresolved matters arising that require to be reported to the Police and Crime Commissioner and Chief Constable, prior to their approval of the respective Annual Financial Statements.

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

3. SUSTAINABILITY UPDATE

Joint Audit Members noted the overview and update provided within the paper on North Wales Police's sustainability and decarbonisation performance as at October 2024 and the areas of improvement/concern highlighted.

Environment/Energy Conservation Manager noted that workplace recycling has been undertaken in-line with new legislation and this is working well. Clothes banks have also been placed at four locations where seized property can be recycled and the money generated given to PACT for community projects. The Force are also looking at the possibility of being able to earn money from scrap metal and plastic recycling from the vehicle commissioning centre.

Joint Audit member asked what control the organisation has on the emissions produced within the supply chain as it felt that the organisation is being measured against this but doesn't have much control over it and asked whether the supply chain emissions should be separated from that of the Force.

Environment/Energy Conservation Manager noted that the organisation does not have control over the supply chain only where the money is spent and has split this data to that which we have more control over, and this is where the focus of our attention is placed.

Joint Audit member questioned the loss of water and whether this does increase our carbon footprint.

Environment/Energy Conservation Manager stated that it does have an impact on carbon usage as the processes used to process and pressure placed on the water system does have a carbon footprint.

Director Finance and Resources stated that the Salix funding is very good news for the organisation and will help to establish the long-term decarbonisation programme for the organisation as it will enable experts to come into the organisation to advise. It should help progress this area alongside BAU demands.

Funding of decarbonisation works is also a challenge. Of the 600 vehicles held by the organisation it would be a very big funding outlay to change all to electric vehicles. There is also a need to ensure that the estate/fleet and sustainability are all joined up correctly given they span a number of functional areas.

Joint Audit Member asked if data is used to drive reductions and Environment/Energy Conservation Manager stated that the investment in LED lighting is on the back of the data as changes made to the areas identified as using the most electricity.

Joint Audit Member asked if the organisation was on track for the 2030 and 2050 targets. It was noted that a number of factors would determine reaching this target but that the force are working hard to ensure that this is achieved through the purchasing of vehicles and the increased use of solar panels etc. The Salix money will be received if the initial work is completed by 31 March.

4. UPDATE ON CAPITAL PROGRAMME

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

Head of Finance noted that capital budget has not been spent as hoped this financial year with a large slippage occurring within the capital programme and its effect on the capital programme for 2025/26. Head of Finance also highlighted a number of capital projects that had been delivered.

Chair asked what will be different within the next years capital programme to ensure that the money will be spent.

Director of Finance and Resources stated that this area is being more actively managed and that there is a better shared understanding on where capital projects stand. It was reported that it remains hard to deliver across fleet/estate and technology. The fleet element is improving after the difficulties experienced during/following Covid but spend remains difficult across estate and technology.

It was reported that the need to focus over the medium-term period instead of the current year was recognised but the DFR was confident that the budget is now better managed.

Head of Finance stated that in general there is a 25% slippage within the local government capital programmes and one big project can be a major part of this slippage. We need to ensure that money is spent but also affordable and offers value for money.

Joint Audit member stated that it is difficult to manage the capital programme but noted that currently 30% of the overall budget had been spent and asked how much will be spent by the end of March. It was also noted that from looking at the 2026-31 spend, there doesn't seem to be any spend on capital during this period.

Head of Finance noted that budget holders had given assurances that the remaining budgets would be spent, but there is also a risk of further slippages based on the experience of the first 6 months of the year. The Programme from 2026/31 will be updated as part of the planning process with current and any additional Project being phased over this period.

Director of Finance and Resources stated that the work plan is based on the current Estate Strategy but because of having a re-prioritisation of the Estate Strategy, will have to agree this before finalising the Capital Strategy.

Joint Audit Member noted that officers want to better manage the capital programme and asked whether a Gantt chart of timelines is available or whether it would be beneficial to produce one to cover the capital programme over the next 3-5 years. This would help in terms of management but would also help Joint Audit Committee members to visually understand the capital programmes and their interlinkage and dependences.

Director of Finance and Resources stated that there is currently no Gantt chart that currently relates across the board but that much work is focused on change delivery as opposed to capital programme delivery and this is not necessarily the same thing. It could therefore be useful to ensure that we weave this into the governance structure and would be useful to be able to differentiate between the two and have a clear line of sight.

Action 4a	Director of Finance and Resources to consider producing a Gantt chart to better understand the timelines/delivery of capital programmes.
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The Chief Constable noted that following the recent budget announcement and the money given to the NHS in terms of their capital programme, this announcement will add further strain in a market that is already difficult and will make it even more difficult to get partners to undertake the building programme for North Wales Police. It will place even more pressure to being able to secure builders to undertake this capital work.

Joint Audit member asked what the key dates in this process were going forward and do the Joint Audit Committee meeting dates align with these dates. Chair requested that a briefing paper be produced highlighting key dates.

Head of Finance stated that work is ongoing in planning the budget but will have to be completed by Christmas with the capital programme written in January 2025. The Capital Strategy will be shared with JAC before the end of March for scrutiny but can share the Medium-Term Financial Plan with members in January.

Action 4b	Head of Finance to produce briefing paper for Joint Audit Committee members with key dates for the budget planning process.
Action 4c	Head of Finance to share Medium Term Financial Plan with members once finalised.

5. ICO AUDIT RECOMMENDATIONS UPDATE

Joint Audit Committee noted the presentation by the Head of Information Assurance on the recent ICO audit recently undertaken and the Forces current position.

Joint Audit member question the unstructured data risk and asked if this has been placed back on the force’s risk register.

Head of Information Assurance stated that further information has been requested and hoping to place this item on the risk register at the next Senior Management Team meeting. Unstructured data will be discussed further at the next Joint Audit Committee meeting.

Joint Audit Committee member questioned the timelines for the Information Management Strategy.

It was noted that the draft strategy has been developed and comments provided by the Fit for the Future Board at their September meeting. Head of Information Assurance will review and update the draft strategy and aim to present the revised draft to the board in December with any lessons learnt from the ICO audit also being incorporated into the strategy.

Joint Audit Committee member questioned whether it was worth contacting another public body i.e. Betsi Cadwaladr to ask whether they have identified if any specialised training is available on how to deal with data breaches. Joint Audit member to share name of individual within Betsi Cadwaladr with the Head of Information Assurance.

Action 5a	Joint Audit member to provide name of individual responsible for information assurance within Betsi Cadwaladr to Head of Information Assurance.
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Joint Audit member noted that Risk 4 from the ICO audit is marked as urgent but not being completed until the end of 2025 and questioned whether this not too long.

Head of Information Assurance stated that so much work is involved, and the Force looked at whether they should be focusing on this high risk only, but it was decided that other work needed to be completed too and have therefore amalgamated three risks together. A member of staff has been taken from all other duties to concentrate on this work which will hopefully mean that the work will be completed earlier.

Director of Finance and Resources noted that he believes the Force is in a good position and was reassured by the retrospective checks that we have not under reported on breaches. Going forward a briefing document will be provided for future closed Joint Audit Committee meetings under AONB on ICO action progress. It was envisaged this would be through sharing the Fit for the Future Information Assurance highlight reports.

Action 5b	Head of Information Assurance to provide regular update briefing papers to the closed Joint Audit Committee under any other business using the Fit for the Future Information Assurance highlight report where possible.
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6. ANY OTHER BUSINESS

i. Date of October 2025 meeting

Chief Finance Officer stated that the current date of the October 2025 meeting falls within half term week and asked if all are happy for an alternate date for the meeting be identified in the previous week.

All agreed and Executive Assistant to identify alternative suitable date for the October 2025 Joint Audit Committee meeting.

Action 6i	Executive Assistant to identify alternative suitable date for October 2025 Joint Audit Committee meeting.
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The next Joint Audit Committee meeting will be held on 4 December 2024 at 1pm as a hybrid meeting: in person at Conference Room 1, FHQ Colwyn Bay and over Microsoft Teams.



**JOINT AUDIT COMMITTEE
ACTION LOG from 25/09/2024**

	Open
	Closed
	Deferred

New/Open actions from March 2021

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
28/03/2023	8	Risk Update - Head of Business Intelligence to share report on risk management review with members outside of the meeting.	Immediate	Head of Business Intelligence	<p>28/06/23 Terms of Reference for the Risk Management Review to be undertaken by Gallagher Bassett was shared with JAC via their Google Drive on 07/03/23. Force have changed insurers since to Maven and therefore this review will no longer be carried out by Gallagher Bassett.</p> <p>28/09/2023 it was agreed with South Wales Police to undertake the Peer Review on 17th November 2023.</p> <p>18/10/23 NWP informed SWP Risk Manager was on Long Term Sick so review postponed.</p> <p>21/02/24 Peer Reviews across all Forces raised by Neil Ackers at the NPCC National Risk Management Forum (NRMF). There was consensus that this is a good idea and has been taken forward by Lee Milton, NPCC Strategic Planning and Risk Manager. The following proposal was included in Lee's report to the National Police Chief's Council for their meeting on 20th March 2024. <i>"As part of wider risk management discussions through the NRMF, the SPP team have also proposed to test support for a 'peer assessment' process. Forces have identified a gap in available peer assessment for risk management, and the potential benefit of a peer</i></p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
					<p>support network to undertake some review and baselining of policing's approach. 5.3.2. Following a request from North Wales Police, a test process has been proposed and will be discussed at the NRMF in March. A terms of reference will be drafted and shared for agreement with forces before work is undertaken. The NRMF is engaged with peer assessment colleagues and the College of Policing to explore proportionate and appropriate support that can be provided to colleagues for agreement with CCC".</p> <p>19/06/24 Peer Review was an agenda item at the National Police Chief's Council (NPCC) Risk Management Forum in Greater Manchester Police Headquarters. Due to the number of ongoing workstreams, the Forum have agreed to progress these in order of priority and therefore the Peer Review of North Wales will not be undertaken until 2025. Work will however continue to agree a Terms of Reference and involve the College of Policing and National Police Chief's Council.</p> <p>09/09/2024 – Recommend action is closed pending progression of Peer Review Work on a national basis in 2025.</p> <p>25/09/2024 – JAC recommended that this action be kept open.</p> <p>15/11/2024 – Recommend that this item is placed on the forward work plan.</p>
30/07/2024	4	Organisational Update - Director of Finance and Resources to share Information Commissioner's Officer report on personal data breaches process with Joint Audit Committee members.	ASAP	Director of Finance and Resources	<p>DFR to share relevant ICO content with JAC via Google Drive.</p> <p>25/09/2024 – Update on ICO's findings to be placed on the JAC workplan.</p> <p>Recommend action closed.</p>
30/07/2024	6c	Internal Audit Overview – Management Report - Budgets Officer to investigate why no explanation or clear rationale as to why the Fleet Management audit actions had been delayed and provide update at next JAC meeting.	September Meeting	Budgets Officer	<p>15/08/24 – FBO contacted Fleet Manager; the delay in updating policy is due to capacity. He has started work on the policy but it will not be completed until end of September. Update to be included in September JAC report.</p> <p>25/09/2024 – Action to remain open and placed on forward work plan for JAC members to receive further information and assurance around fleet.</p>

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE				
					18/11/2024 – Fleet briefing added to work programme and December 2024 agenda. Suggest action closed.				
30/07/2024	7b	Risk Update - JAC Risk Lead to review redacted risks at next catch-up meeting with the Force.	Ahead of September meeting	JAC Risk Lead and NWP Officers	<p>06/09/24 - due to unavailability of JAC Risk Lead, this meeting will take place upon his return.</p> <p>Each Redacted Risk is however provided a rationale of why the risk is to be listed in Closed Session and this is documented on the Risk Template, for example, Risk 118 Command and Control Replacement.</p> <table border="1"> <tr> <td>Report to JAC in Open or Closed Session</td> </tr> <tr> <td>Closed Session</td> </tr> <tr> <td>Detail Rationale if Closed Session below</td> </tr> <tr> <td>This Risk is operationally sensitive in that if heard in Open Session may highlight NWP's vulnerability for a Cyber attack</td> </tr> </table> <p>During the Risk Scoring exercise, the Risk Lead is informed the risk will either be presented at JAC Open or Closed Sessions. The Risk Lead selects which they feel is appropriate and confirms this decision in an email which is saved in the embedded word documented on the risk.</p> <p>Risk and Business Continuity Lead will however contact all Risk Leads of those risks which are Redacted for Closed Session to review their initial decision and change any which they feel can be heard in Open Session.</p> <p>08/11/24 – Emails have been forwarded to all Risk Leads of Risks that are currently redacted for JAC Closed Session to confirm if there is a requirement for them to remain redacted.</p> <p>Any Risks reported back that are no longer required to be redacted will be moved to Open Session.</p> <p>JAC Risk Lead will be updated on 14/11/24 whilst in FHQ.</p> <p>Recommend action closed.</p>	Report to JAC in Open or Closed Session	Closed Session	Detail Rationale if Closed Session below	This Risk is operationally sensitive in that if heard in Open Session may highlight NWP's vulnerability for a Cyber attack
Report to JAC in Open or Closed Session									
Closed Session									
Detail Rationale if Closed Session below									
This Risk is operationally sensitive in that if heard in Open Session may highlight NWP's vulnerability for a Cyber attack									
30/07/2024	11a	Legal Report - Force Solicitor to clarify what public liability claims are included within the “other” category and include within the next paper to Joint Audit Committee.	December meeting	Force Solicitor	<p>Update to be provided at December meeting.</p> <p>18/11/24 – Analysis of “other” category included in Dec24 report.</p> <p>Suggest action closed.</p>				

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
30/07/2024	11b	Legal Report - Force Solicitor to provide management summary highlighting points of note and any issues raised at beginning of future Joint Audit Committee papers and link to policy.	December meeting	Force Solicitor	Update to be provided at December meeting. 18/11/24 – Management summary included at start of Dec24 report. Suggest action closed
30/07/2024	13	Risk Strategy and Risk Appetite Statement – Annual Review - Director of Finance and Resources, Head of Business Intelligence and JAC Risk and IT Lead to meet to consider risk appetite in terms of technology.	Ahead of September meeting	Director of Finance and Resources, Head of Business Intelligence and JAC Risk and IT Lead	06/09/2024 – Meeting originally scheduled for 30 August 2024 but due to unavailability of JAC members, meeting has been rearranged to 11 September 2024. 13/09/24: Meeting to be rescheduled to after JAC meeting due to lack of availability of all attendees. DFR PA is in the process of looking at suitable dates. 25/09/2025 – meeting to be arranged. 15/11/2025 – Meeting held on 6/11/24 and recommended way forward agreed and circulated to attendees. 06/11/2024 – DFR Update - The meeting occurred and the issue was discussed resulting in 3 actions: 1). Risk Manager to consider incorporating a draft wording broadening business continuity beyond the technology element. 2). Risk Manager also to consider incorporating a draft wording broadening the data management elements of risk appetite beyond the current element. 3). Head of Technology & Head of IA to consider whether other additional elements should be incorporated to the risk appetite for their respective areas as part of their strategy review.
25/09/2024	4a	Organisational Update – OPCC - Chief Finance Officer to place update on the Commissioning work being undertaken in the Office of the Police and Crime Commissioner on forward work plan for 2025/26.	Immediate	Chief Finance Officer	10/10/2024 – Briefing on Commissioned Services added to Work Programme, meeting scheduled for 29 July 2025. Recommend action closed.
25/09/2024	4b	Organisational Update – OPCC - Chief Executive Officer to report any concerns arising from Scrutiny Boards with the Joint Audit Committee in future.	As appropriate	Chief Executive Officer	18/11/2024 – Request noted and any concerns will be raised as requested. Suggest action closed.
25/09/2024	4c	Organisational Update – North Wales Police - Chief Finance Officer to place	Immediate	Chief Finance Officer	10/10/2024 – Estates Strategy added to Work Programme, meeting scheduled for 25 March 2025. Recommend action closed.

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		the Estate Strategy on the 2025/26 forward work programme.			
25/09/2024	4d	Organisational Update – North Wales Police - Director of Finance and Resources to share Talent mapping process approach with members and consider best way to communicate content of survey.	As soon as possible	Director of Finance and Resources	18/11/2024 – The Talent Mapping work is progressing. DFR anticipates a more meaningful update could be provided at the next meeting.
25/09/2024	6a	Internal Audit SICA 2024-25 - Director of Finance and Resources to discuss likely timeline for collaborative audit and report back to the Committee.	As soon as possible	Director of Finance and Resources	18/11/2024 – DFR raised the query at Finance JAG. It was agreed that the audit would be added to the list of potential collaborative audits for 2025/26 and considered on its merits against other potential audits. Suggest action closed.
25/09/2024	6b	Internal Audit SICA 2024-25 - Director of Finance and Resources to enquire with Force Solicitor if central log held where all new legislative changes are noted.	Immediate	Director of Finance and Resources	18/11/2024 – DFR discussed with Head of Legal. In short no central log exists. However, processes are in place to keep abreast of changes: <ol style="list-style-type: none"> 1. All lawyers are members of the Association of Police Lawyers (a network of in-house legal advisers) with staff sitting on sub committees for key areas, employment, operational and contract/ procurement. 2. There is also regular knowledge share and networking with Wales Heads of Legal and the North West Heads of Legal. 3. There is a legal database that supports key word alerts for new case law and legislation. 4. The team attend training events from external solicitors and barristers where legal updates are provided. DFR also discussed with Head of Learning. Again no central log is held but version control does feature on underlying documentation to track changes. The College of Policing highlight forthcoming changes in legislation as part of their updates. Lead trainers also conduct their own ‘horizon scanning’ for their area of responsibility. Suggest action closed.
25/09/2024	6c	Internal Audit SICA 2024-25 - Paper providing assurance that North Wales Police are prepared for the new internal audit standards to be added to the forward work plan.	As soon as possible	Director of Finance and Resources	18/11/2024 – Added to future work plan. Meeting also took place between DFR, CFO and TIAA to discuss the changes on 13/11/24. Agreed that a further meeting would prove valuable in December as CIPFA guidance is issued. Suggest action closed (manage via work programme).

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
25/09/2024	7	Risk Update - Head of Business Intelligence to include within future Risk Update paper a summary of actions which have taken place to bring risk level down to an acceptable level.	Ahead of December meeting	Head of Business Intelligence	15/11/2024 – Action will be implemented as appropriate, but due to no changes in risk level it is not evident in the December 2024 JAC risk report. Propose action closed.
25/09/2024	8a	Work Programme – 2024/25 - Chief Finance Officer to review work programme and consider if any items could be placed on the October meeting agenda.	Immediate	Chief Finance Officer	10/10/2024 – staff and officers were asked to recommend items that could be ready to present to the meeting scheduled for 31 October 2024. The agendas for this meeting and the 4 December 2024 have been prepared to take account of this. Recommend action closed.
25/09/2024	8b	Work Programme – 2024/25 - Chief Finance Officer to add Whistleblowing to the future work programme and ask Head of Professional Standards Department to prepare paper for discussion.	Immediate	Chief Finance Officer	10/10/2024 – added to Work Programme, meeting scheduled for 25 March 2025. Recommend action closed.
25/09/2024	8c	Work Programme – 2024/25 - Chief Finance Officer to update the forward work plan to show the signing of the ISA 260 in October 2025.	Immediate	Chief Finance Officer	10/10/2024 – added to Work Programme, meeting scheduled for 25 March 2025. Recommend action closed.
25/09/2024	9	HMICFRS Value for Money Profiles - Director of Finance and Resources to provide details of how the information held is used to drive efficiencies within the organisation.	As soon as possible	Director of Finance and Resources	18/11/2024 – HMICFRSVFM analysis is reported into a number of forums including the Performance board and Organisational planning process. The analysis has been utilised to identify areas of high spend and potential efficiency. It is attention directing information rather than being ‘decision relevant’ for making efficiency purposed the well invested position for enabling services is an then explored by the Force on an annual basis. Recommend action closed.
25/09/2024	10	Procurement Action 2023 - Head of Procurement to provide Joint Audit Committee with an update in a years’ time. Chief Finance Officer to Procurement update to the forward work plan in September 2025.	September 2025 meeting	Head of Procurement & Chief Finance Officer	10/10/2024 – added to Work Programme, meeting scheduled for August 2025. Recommend action closed.
25/09/2024	11	Governance Update - Chief Finance Officer to inform the Committee if the	Immediate	Chief Finance Officer	10/10/2024 – AGS consultation has been added to JGB work programme.

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		AGS consultation is included within the Governance Board work programme.			Recommend action closed.
25/09/2024	12	Any Other Business - Chief Finance Officer to include at start of the agenda for the October meeting, private discussion between Joint Audit members and Audit Wales	Ahead of October meeting	Chief Finance Officer	09/10/24 – Meeting arranged ahead of October meeting. Recommend action closed.
31/10/2024	4a	Update on Capital Programme – Director of Finance and Resources to consider producing gantt chart to better understand the timelines/delivery of capital programmes	ASAP	Director Finance and Resources	18/11/2024 – DFR Update - Initial discussions have been held with Head of technology and Head of Estates regarding this. Both have their own overall view of the work programme. Further work is required.
31/10/2024	4b	Update on Capital Programme – Head of Finance to produce briefing paper for Joint Audit Committee members with key dates for the budget planning process	Ahead of December meeting	Head of Finance	15/11/2024 - June to November 2024 Organisational Planning Process:- 29.11.24 Budget Setting meeting with CC and team 13.12.24 Budget setting meeting with PCC and TEAM 19.12.24 Follow up with PCC after receiving final grant 6 to 17 of January 2025 draft MTFP (inc draft Capital Programme) 27.1.24 Police and Crime Panel to set Precept 25.3.25 Capital Strategy scrutinised by JAC (including final Capital Programme) Suggest action closed.
31/10/2024	4c	Update on Capital Programme – Head of Finance to share Medium Term Financial Plan with members once finalised	ASAP	Head of Finance	15/11/2024 - Next MTFP will be available from the 20.1.2025 with the PCP papers.
31/10/2024	5a	ICO Audit Recommendations Update - Joint Audit member to provide name of individual responsible for information assurance within Betsi Cadwaladr to Head of Information Assurance.	Immediate	Joint Audit member	
31/10/2024	5b	ICO Audit Recommendations Update – Head of Information Assurance to provide regular update briefing paper to the closed Joint Audit Committee under any other business using the Fit	December meeting	Head of Information Assurance	18/11/2024 – DFR Update – Action to be progressed although the Fit for the Future board falls after the JAC on this occasion.

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
		for the Future Information Assurance highlight report where possible			
31/10/2024	6i	Any other business – Executive Assistant to identify alternative suitable date for October 2025 Joint Audit Committee meeting.	December meeting	Executive Assistant	15/11/2025 – Meeting moved to 24 October 2025. Recommend action closed.

Closed actions since last meeting – Archived April 2024 – previously closed available on request

MEETING DATE	MINUTE NO.	ACTION DESCRIPTION	REQUIRED BY (DATE)	PERSON RESPONSIBLE	UPDATE
28/09/2023	13	JAC Briefing – Collaboration Governance Arrangements - Corporate Head of Change and JAC IT lead to discuss most high profile risk collaboration areas at monthly meetings.	Ahead of December meeting	Corporate Head of Change & JAC IT Lead	<p>22/11/2023 – As list of >100 collaboration sit outside Corporate Head of Change area of work and monthly digital meetings would not have capacity to take on broader agenda. Corporate Head of Change compiling list of all collaborations and sourcing dates of governance reviews conducted and once finalised will share with JAC to provide further assurance.</p> <p>07/12/2023 – JAC member asked where this area of work is governed within the Force. Chief Superintendent Corporate Service work needs to be undertaken and Corporate Head of Change pulling a list together of collaborations being undertaken and how they are currently governed.</p> <p>06/03/2024 - Register of collaboration created and saved on Google Drive. Additionally, Internal audit are currently carrying out an audit on collaboration.</p> <p>4/07/2024 – Internal Audit have conducted a collaboration audit and noted substantial assurance. Additionally the recommendation in the audit findings is in the process of being implemented.</p> <p>Suggest action closed.</p>
07/12/2023	4	Organisational Update - Chief Executive to circulate answer to remaining question arising from the organisational update to JAC members outside of the meeting.	Immediate	Chief Executive	<p>11/12/2023 – Update provided to JAC Members.</p> <p>Suggest action closed.</p>
28/03/2024	6a	Internal Audit - Joint Audit Committee members to send any comments on the forward work programme to staff ahead of the July meeting.	Before next Meeting	Joint Audit Committee	<p>No comments received.</p> <p>Suggest action closed.</p>
28/03/2024	7a	Risk Update - Chief Superintendent Corporate Services to look at Risk 81 and 119 in closer detail and update the Committee at the July meeting.	Ahead of July Meeting	Chief Superintendent Corporate Services	<p>20/06/24 Update by Risk and Business Continuity Lead</p> <p>Risks 81 and 119 have now been updated by the Risk Leads and a request has been made to the Finance and Resources SMT to authorise the closure of both risks and removal from the Force Risk Register.</p> <p>Suggest action closed.</p>

28/03/2024	7b	Risk Update - Chief Superintendent Corporate Services to ask Risk Lead to update table 1 within the document to ensure figures add up correctly.	Ahead of July meeting	Chief Superintendent Corporate Services	14/06/24 Update by Risk and Business Continuity Lead - Apologies, this was a missed 'typo' and the correct figure should have been 26 NWP risks currently recorded on the Force Risk Register and not 27 as stated in the last JAC reports. Suggest action closed.
28/03/2024	9	Audit Wales - Chief Finance Officer to raised questions asked of Audit Wales at meeting when them and ask that response received by end April.	Immediate	Chief Finance Officer	Questions asked of Audit Wales and answers shared with Joint Audit Committee 02/05/2024. Suggest action closed.
28/03/2024	10	Capital Strategy (including the Treasury Management Strategy) - Head of Finance to share slides presented at meeting with Joint Audit members	Immediate	Head of Finance	Shared with JAC members 4/07/2024. Suggest action closed.
30/07/2024	5	HMICFRS Update and Action Tracker - Chief Superintendent Corporate Service to update Joint Audit Committee members of lessons learnt from PEEL inspection at next meeting.	November Meeting	Chief Superintendent Corporate Services	09/09/24 – Force unlikely to be in a position to share any PEEL lessons learnt until they receive the final report in November. Members will be updated once in receipt of the final PEEL inspection report. 25/09/2024 – JAC members noted that Action be closed.
30/07/2024	7a	Risk Update - Risk and Business Continuity Lead to enquire if GoSafe is noted as a risk on all Welsh forces risk registers at next all-Wales meeting.	September meeting	Risk and Business Continuity Lead	06/09/2024 – Enquiries have been made with the other Welsh Forces as requested and the following responses received: Dyfed Powys Police – Yes Gwent Police – Yes South Wales Police – Recorded on an Issues Register. Recommend action closed.

30/07/2024	10	Treasury Management Performance - Financial Control Accountant to provide quotes under tables to further explain data within.	ASAP	Financial Control Accountant	13.09.24 – Description added in to aid the interpretation of the chart. Updated report shared with audit committee members. Suggest action closed.
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Abbreviation Key	
CC	Chief Constable
CEO	Chief Executive Officer (OPCC)
CFO	Chief Finance Officer (OPCC)
DFR	Director of Finance and Resources (NWP)
HMICFRS	Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services
JAC	Joint Audit Committee
NWP	North Wales Police
OPCC	Office of the Police and Crime Commissioner
PCC	Police and Crime Commissioner
PSD	Professional Standards Department (NWP)
TIAA	Internal Audit
AW	Audit Wales

Joint Audit Committee

Meeting Date:

Title:	OPCC Organisational Update
Author:	Stephen Hughes
Purpose of the report:	To update JAC members on key OPCC activity since the last meeting
Level of Assurance:	High
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> • Progress update on the new Police and Crime Plan <ul style="list-style-type: none"> ○ Results of consultation ○ Proposed priorities • Summary of scrutiny carried out at Strategic Executive Board • Hate Crime Awareness Week • Safer Business Action Week
Recommendations:	That JAC members note the report
Risk register impact:	None
Assurance implications:	None
Equality Impact:	None
Information exempt from disclosure:	None



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OFFICE OF THE POLICE & CRIME
COMMISSIONER NORTH WALES

Joint Audit Committee 4th December 2024

OPCC Organisational Update

Updates

The previous meeting of the Joint Audit Committee (JAC) was held on 25th September 2024. This report will provide an update to the JAC on OPCC matters of note since then with particular focus on the scrutiny activities undertaken by the OPCC.

Police and Crime Plan 2024-2028 – Progress Update

As previously highlighted to JAC members, all Police and Crime Commissioners (newly elected and re-elected) are required to publish a Police and Crime Plan by the end of the financial year following election (31st March 2025).

In July 2024, the Office of the Police and Crime Commissioner (OPCC) initiated a large-scale consultation and survey. The primary objectives of this survey were:

1. To address the concerns of local communities and incorporate them into the Police & Crime Plan and policing strategies for North Wales.
2. To ensure residents have a voice in shaping future services and resource allocation.
3. To represent and reflect the views of all sections of the population in the Force priorities and policing approach.

The survey window ran from 15 July until 27 September 2024.

A total of **4,667** responses were received which represents a significant increase in engagement compared to the 2021 Police and Crime Plan consultation. Total responses more than doubled, with a 104.6% increase. Notably, Welsh language responses saw a substantial rise of 257.1%. The increase in paper copy submissions (from 7 in 2021 to 566 in 2024) suggests successful efforts to reach demographics less likely to engage online and during in-person events.

These significant improvements in engagement rates reflect the effectiveness of the expanded marketing strategy and the OPCC's commitment to gathering diverse community input for the Police and Crime Plan.

Based on the findings of the consultation and the Commissioners election manifesto, the proposed priorities for the new Police and Crime Plan are:-

Ensuring neighbourhood policing is at the heart of North Wales Police's priorities is the foundation on which all other priorities are built. **Vulnerability is a golden thread** throughout the Plan, to include substance misuse and mental health.

A local neighbourhood policing presence

- Tackling serious and organised crime
- Rural crime
- Road safety
- Anti Social Behaviour

Supporting victims, communities and businesses

- Violence against women and girls
- Business and retail crime
- Responsiveness
- Cyber Crime
- Hate Crime

A fair and effective criminal justice system

- Domestic Violence Perpetrators
- Victims Panel 'phase 2'
- Anti Racism Plan

We are now in the process of consulting with the Chief Constable and our statutory partners. The draft Plan will be presented to the Police and Crime Panel on 16th December before being finalised and tabled for formal ratification in the January Panel meeting, alongside the precept proposal.

Scrutiny of North Wales Police performance

At the most recent Strategic Executive Board meeting Chaired by the PCC, the Chief Constable provided an update on North Wales Police performance on three primary areas namely:

- Operation Soteria
- Violence against Women and Girls Action Plan
- Road Safety

Operation Soteria is a Home Office funded research and change programme to drive up charging and conviction rates for rape and serious sexual offences. The Commissioner

heard how the Force have been progressing the National Operating Model and the six pillars approach. The six pillars are:

- Suspect focused investigations
- Repeat suspects
- Procedural justice approach to victim engagement
- Learning development and officer and staff well-being
- Data and performance
- Digital Forensics

The commissioner also scrutinised the progress of North Wales Police **Violence Against Women and Girls** (VAWG) Delivery Plan. North Wales Police have adopted a refreshed framework incorporated into a 4P model. This outlines how they will protect women and girls from violence; pursue those who commit or seek to commit offences; prevent offences being committed; and prepare policing to continually improve the safety of women and girls on our communities across North Wales.

Thirdly the Commissioner conducted a review of **Road Safety**. The areas examined included killed and seriously injured data and an understanding of the types of fatal collisions, locations, and driver ages. Enforcement was also looked at, including data on the enforcement of offences, such as drink and drug driving, speeding and mobile phone use. Another area examined was how North Wales Police are approaching the issue of off-road motorcycles, e-bikes, and e-scooters, as well as the use Community Speed Watch.

Hate Crime Awareness Week

National Hate Crime Awareness Week took place in October, where the PCC demonstrated his commitment to combatting hate crimes by engaging with local communities impacted by these issues. He joined a meeting of the Unique Transgender Network in Bangor, where he discussed the effects of LGBTQ+ hate crimes and explored ways for agencies to work together to address this challenge. The PCC also visited the iCAN Centre operated by ClwydAlyn Housing Association in Rhyl, where he met with the team to learn about their work combating hate incidents, including those targeting the homeless people they support.

Safer Business Action Week

We also supported the National Business Crime Centre's Safer Business Action Week to combat business crime, where the PCC visited Rhyl to meet North Wales Business Council CEO Ashley Rogers, discussing regional issues and prevention strategies around business crime.

Report Author:	Stephen Hughes, Chief Executive
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Joint Audit Committee

Meeting Date: 4th December 2024

Title:	Organisational Update – North Wales Police
Author:	Seb Phillips, Director of Finance & Resources
Purpose of the report:	To provide the Joint Audit Committee with an overview of key organisational events and issues taking place since the last JAC meeting.
Level of Assurance:	
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information
Summary / Key Points:	<p>This report provides a high-level Organisational Update for North Wales Police highlighting key issues and events affecting the organisation for the period from 05.09.24 to 11.11.24.</p> <p>The issues and events are analysed between four categories of Finance; People, Learning & Innovation; Operational and Public / Community.</p> <p>The report is provided to offer the Audit Committee an insight into the broad range of activity being undertaken in NWP and to provide assurance that certain important matters that the Audit Committee is already sighted on continues to progress.</p> <p>There are no decisions or responses required from the committee in relation to the contents.</p>
Recommendations:	For members of the Joint Audit Committee to note the Director of Finance & Resources' report.
Risk register impact:	None.
Assurance implications:	None.
Equality Impact:	None.
Information exempt from disclosure:	None - All content in <u>Open</u> Session

JOINT AUDIT COMMITTEE

4th December 2024

Organisational Update

Report by Director of Finance & Resources, North Wales Police

1. Introduction

This report provides a high-level Organisational Update for North Wales Police, highlighting key issues and events affecting the organisation for the period from 05.09.24 to 11.11.24.

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

2. Finance

- 2.1 Full year revenue projections have been produced at the end of Q2 with the figures projecting a £0.819m underspend (0.4% of the budget), which is materially on budget. Despite this there are a number of variances against the original plan which have been reported and confirmation is awaited on a number of additional grants.
- 2.2 Following the Government announcement of a 4.75% pay award for police officers in July 2024, the Police Staff Council have now confirmed that a 4.75% pay award would be awarded to police staff. The pay award is partially funded for NWP.
- 2.3 The revised capital budget for 2024-25 of £18.913m was re-assessed and re-phased following analysis which indicated that 63% of projects may not be delivered within FY24-25. The revised Programme shows a signification reduction to £9.033m, with £9.880m moved into FY25-26. The reasons for the delays vary and have been reported to the appropriate boards. The next step is to re-phase expenditure for FY25-26 though to FY30-31. This was a specific area of focus at the additional audit committee held at the end of October.
- 2.4 Organisational Planning for 2025-26 budgets is underway, with Budget Setting to take place with the Police & Crime Commissioner on 13th December 2024.
- 2.5 Following the final review of the Statement of accounts for FY23-24 by the Joint Audit Committee on 31st October 2024, the accounts were signed off by Audit Wales on 7th November 2024.
- 2.6 The Chancellor's Autumn budget on 30th October 2024, made several announcements (such as the increase to Employer NI) and concluded Phase 1 of the Spending Review. These are being considered through the planning process as there was limited specific detail on the police settlement specifically beyond the below:

"...increase the core government grant for police forces and help support frontline policing levels across the country, putting the government on track to start to deliver the manifesto pledge to boost visible neighbourhood policing with 13,000 more neighbourhood officers and Police Community Support Officers (PCSOs). This will be paid for by tackling waste through police efficiencies, enabling officers to spend more time on the frontline tackling crime..."

3. People, Learning & Innovation

- 3.1 The Force remains on track to achieve its 2024-25 Uplift headcount target and also to achieve its additional temporary stretch target, with the Sept24 interim targets achieved and the March25 target on track.
- 3.2 Work continues around talent mapping. A series of workshops were held with senior and middle managers in October which were the first in a series of projects planned over the coming months. Individual interviews have also been held with the chief officer team.
- 3.3 The NWP officers affected by the McCloud Pension Remedy continue to be supported with further information and support available via the local team, the all Wales Pensions Hub, the National NPCC Team and XPS, our Pension Administrator.
- 3.4 The Government has asked for a baseline of Neighborhood Policing Officers and PCSOs in support of their ambition for 13,000 staff to be directed to the area. Special Constables will also feature in this ambition although they are at the lowest headcount seen for some time due to a number of factors. Work is being undertaken regarding how we best attract, recruit and retain our volunteers.
- 3.5 King's Coronation Medals have been awarded to officers that met the eligibility criteria. King's Coronation Coins for police staff will also be awarded over the coming weeks.
- 3.6 Work continues on the Force change programmes, being reported via the Strategic Change board.

4. Operational

- 4.1 The force continues to feature well in recent published Crime Survey England & Wales data. Highlights are provided below:
 - 11.6% reduction in total recorded crime (3rd largest decrease in England and Wales.
 - 8th largest reduction in Violence against the Person offences, with reductions seen across Violence with and without Injury and Stalking & Harassment
 - Annual reduction in Sexual Offences was the 11th largest across England and Wales
 - 2nd lowest rate for robbery in England and Wales.
 - 2nd lowest rate for vehicle offence in England and Wales.
 - 8th lowest rate of Residential Burglary nationally with a better than average reduction year on year.
- 4.2 Following the HMICFRS PEEL (Police Effectiveness, Efficiency and Legitimacy) inspection, the final report is expected to be published in December 2024.
- 4.3 On 7th September 2024, live facial recognition was deployed for the Wrexham AFC Vs Shrewsbury Town football fixture to identify those who may be wanted for priority offences, recalls to prison or who might be involved in football related disorder. A total of 34,900 faces were scanned, with 11 alerts generated and follow-up enquiries undertaken by officers. No arrests were made.
- 4.4 Following delays to the roll-out of new operational vehicles due to a supply issue with the response vehicle cell, they are now being rolled out in priority order.

- 4.5 Over the summer period, fatal collisions and collisions with serious injuries saw a reduction in North Wales. The Force also saw a reduction in fatal and serious motorcycle collisions.
- 4.6 National Hate Crime Awareness Week was held in October 2024. Whilst we generally see low levels of hate crime in North Wales, the awareness week was used to raise awareness and encourage action from communities, authorities, and support organisations given it can have a large impact on the victim and community and is often underreported. North Wales Police has a high positive outcome rate of 22%.
- 4.7 Performance monitoring at Force and OPCC level continues with key performance updates from the Strategic Executive Board held on 30th October 2024 including deep dives into the areas of Violence Against Women & Girls (VAWG) and Road Safety.

5. Public / Community

- 5.1 Data provided for the period August-September 2024 shows the Force Control Centre answered 92% of 999 calls within 10 seconds; with calls to the 101 number being answered in just over 1 minute, both of which are positive results.
- 5.2 The Force Open Day on 14th September 2024 was well attended by colleagues and members of the public and provided an opportunity to highlight to communities the important work that goes on across North Wales, encourage recruitment into the police service, as well as highlighting the challenges faced by our officers and staff. The Force also held an afternoon session for members of the National Association for Retired Police Officers (NARPO) as part of its 50th anniversary celebrations on 13th September 2024.
- 5.3 Operation Blizzard launched in Wrexham City on 1st November 2024 with specific focus on retail crime in the run up to Christmas through increased visibility, with proactive patrols around the city and hotspot areas, both on foot and electric bikes.

6. Recommendations

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

Joint Audit Committee

Meeting Date: 4th December 2024

Title:	HMICFRS Report
Author:	Sarah O’Hara, Audit and Inspection
Purpose of the report:	To provide committee members with an update on the publication of the PEEL (Police Effectiveness, Efficiency & Legitimacy) 2024 inspection and future planned inspection
Level of Assurance:	High
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> • The draft HMICFRS PEEL Inspection report has been reviewed and pre-publication checks returned to HMICFRS. The report is due for publication in December. • The HMICFRS proposed policing inspection programme and framework 2025–29 has been published for consultation, which includes the intended changes for the PEEL 25-27 inspection regime. • The report concluding the findings from the Organised Immigration Crime thematic inspection remains to be published. • The review of progress against the areas for improvement identified from the Serious Organised Crime inspection is to take place in early 2025.
Recommendations:	None.
Risk register impact:	None.
Assurance implications:	None.
Equality Impact:	None.
Information exempt from disclosure:	None.



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OFFICE OF THE POLICE & CRIME
COMMISSIONER NORTH WALES

JOINT AUDIT COMMITTEE

Date: 4th December 2024

Paper: HMICFRS Report

Author: Sarah O'Hara



1. Purpose

To provide committee members with an update on the publication of the PEEL (Police Effectiveness, Efficiency & Legitimacy) 2024 inspection and future planned inspections.

2. PEEL Inspections

The force received a copy of its draft PEEL inspection report on Monday 30th September. Following review of the content, the force prepared its response for submission on those areas considered needing further editing or review by the inspectorate. HMICFRS have confirmed that the report is now in its final editing and translation stages following review of our pre-publication checks, and that the report is anticipated to be ready for publication in December 2024. Upon receipt of the final published version, the force will provide members of the committee with a detailed overview of the assessment findings and the proposed approach to completing those areas identified as needing improvement.

Additionally, HMICFRS are in the process of redesigning their inspection regime for PEEL 25-27. The proposed assessment framework is in its final stages of consultation, with the concluding version hoped to be shared at Chief Constables Council in December 2024. To summarise, the intention for PEEL 25-27 is to move to the below graded core question areas:

1. Leadership
2. Supporting and developing the workforce
3. Public treatment
4. Prevention and deterrence
5. Responding to the public
6. Investigating crime
7. Safeguarding children and adults at risk
8. Fraud (*subject to funding*)
9. Custody

HMICFRS are proposing to move the custody inspection programme into the PEEL framework as an additional core question (9). This will increase the frequency of custody inspections, with every force inspected every four years.

Furthermore, changes are expected on how crime data integrity (CDI) is inspected and reported, with crime recording dips samples for all forces in a cycle. CDI would no longer be graded, instead evidence would be included in the relevant core question.

Whilst the proposal is for the removal of a dedicated question on the management of suspects and offenders, it is intended that suspect management will move into investigating crime.

3. Inspection Framework Consultation

The proposed policing inspection programme and framework 2025–29 was open for public consultation from 30th September to 25th October 2024. This covers all inspection areas, including the PEEL 25-27 inspection programme referenced above.

Subject to agreement, the intended areas of thematic inspection over the next four years are:

- Firearms licensing
- Police leadership
- Police response to knife related crime
- The efficiency and effectiveness of current arrangements that provide local, regional and national policing services, including arrangements to meet the Strategic Policing Requirement.
- Science and Technology
- Economic Crime
- Undercover Policing
- Police and Fire service cybersecurity
- Counter terrorism
- Joint Emergency Service Interoperability Principles (JESIP)
- Data and Analytics

Further detail on the full inspection framework consultation can be found on the HMICFRS website here: [Proposed policing inspection programme and framework 2025–29: For consultation - His Majesty's Inspectorate of Constabulary and Fire & Rescue Services](#)

4. Additional Inspection Information

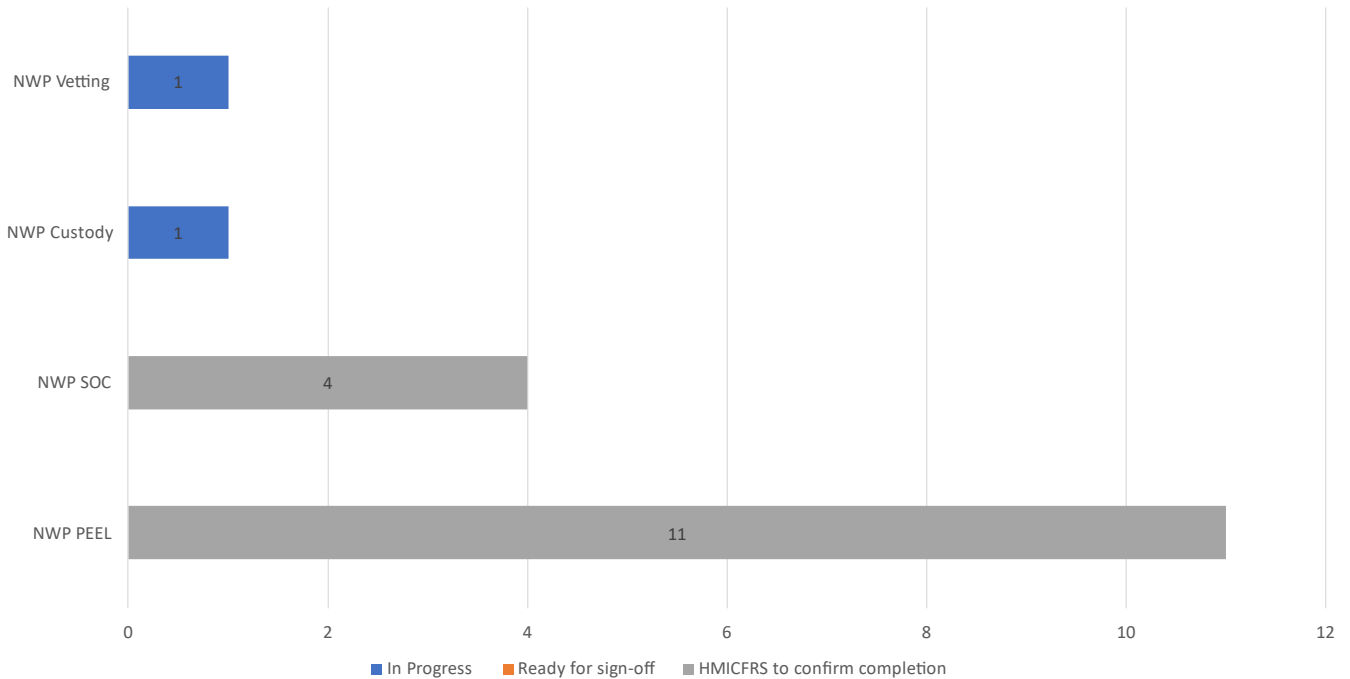
North Wales Police was selected to participate in the thematic inspection into Organised Immigration Crime, which took place in May earlier this year. The report is due for publication, but no dates have yet been presented, nor draft report received.

North Wales Police is due a review of progress made towards the areas for

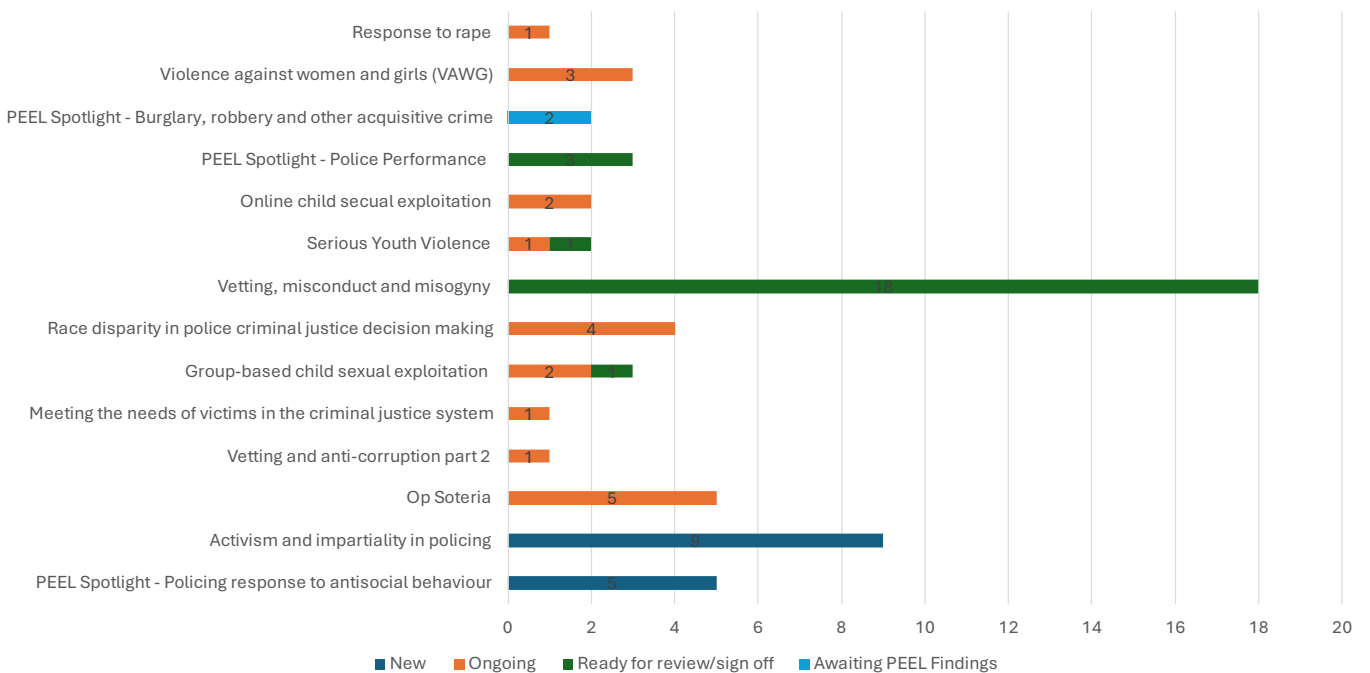
improvement following the inspection into serious organised crime. HMICFRS have confirmed that this will now take place in early 2025. The force is confident that the work taken place to date and ongoing will satisfy the inspectorate.

5. Recommendations and Areas for Improvement

NWP Specific



National Thematic Recommendations/AFIs in progress





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

Summary Internal Controls Assurance (SICA) Report

November 2024

Final

Summary Internal Controls Assurance

Introduction

1. This summary controls assurance report provides the Joint Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at North Wales Police at 12th November 2024.

New Internal Audit Code of Practice (Global Internal Audit Standards)

2. The new Internal Audit Code of Practice, which sets out fundamental principles for running a strong and effective internal audit function. For the first time, it presents a unified Code that encompasses the financial services, private, and third sectors.

The Code reflects the final recommendations of the Independent Internal Audit Code of Practice Review Committee and has received full endorsement by the Chartered IIA's Council. The Global Standards urge boards and Audit Committees across the financial, private and third sectors to adopt and implement the Code's principles, embarking on their path to full compliance. Embracing these principles will maximise the value of internal audit and unlock the full potential of the profession.

The purpose of the Code

The principles which follow are aimed at enhancing the overall impact and effectiveness of internal audit within organisations operating in the UK and Ireland. They are regarded as a benchmark of good practice against which organisations should assess their internal audit function.

Who is it for?

The intended audience for the Code of Practice (the 'Code') includes members of board audit and risk committees, chief audit executives, non-executive directors, senior management, and, where appropriate, regulatory bodies. The Code is intended to be applied by all organisations in the financial services, private and third sectors with an internal audit function and a board audit committee of independent non-executive directors or their equivalent. This Code may prove useful for internal audit in the public sector, but it is not drafted with the public sector specifically in mind. Public sector internal audit functions should continue to follow the Public Sector Internal Audit Standards.

How should it be applied?

The Code should be applied in conjunction with the International Professional Practices Framework and the Global Internal Audit Standards. The Code builds on these Standards and seeks to increase the impact and effectiveness of internal audit. The Code is principles-based. It is expected that the principles are applied proportionately, in line with the nature, scope and complexity of the organisation. Internal audit functions should apply the Code in the context of internal audit regulatory standards applicable to the organisation.

See Appendix C for further information and available resources.

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

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

Audits completed since previous SICA report

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
Commissioners Grants	Substantial	4 th September 2024	10 th September 2024	16 th September 2024	-	-	1	1
Business Continuity Planning	Substantial	3 rd September 2024	10 th September 2024	16 th September 2024	-	-	3	-
Western Area – Command Unit	Reasonable	18 th September 2024	1 st October 2024	2 nd October 2024	-	1	2	-
Performance Management	Substantial	2 nd October 2024	16 th October 2024	17 th October 2024	-	-	-	-
HR Absence Management linked to Agility	Reasonable	22 nd October 2024	4 th November 2024	5 th November 2024	-	2	3	1
Pensions	Substantial	25 th October 2024	30 th October 2024	6 th November 2024	-	-	-	-
Collaborative - Health and Safety Management	Substantial	3 rd October 2024	5 th November 2024	7 th November 2024	-	-	1	-

Progress against the Annual Plan 2024/25

4. Our progress against the Annual Plans for 2024/25 are set out in Appendix A.

Changes to the Annual Plans for 2024/25

5. There is one change to the approved plan are detailed within the table below. The collaborative Connect Teams Channels audit has been cancelled by each force.

Progress in actioning Urgent (Priority 1) recommendations

6. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA. The recommendation trackers are provided for the Committee.

Root Cause Indicators

7. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for Police and Crime Commissioner North Wales and Chief Constable North Wales Police. Each recommendation made is analysed to establish the underlying cause of the issue giving rise to the recommendation (RCI). The analysis needs to be considered over a sustained period, rather than on an individual quarter basis. Percentages, rather than actual number of reviews/recommendations made permits more effective identification of the direction of travel. A downward arrow signifies a positive reduction in risk in relation to the specific RCI.

RCI – Direction of Travel Assessment

Root Cause Indicator	Qtr 2 (2023/24)	Qtr 3 (2023/24)	Qtr 4 (2023/24)	Qtr 1 (2024/25)	Qtr 2 (2024/25)	Medium term Direction of Travel	Audit Observation
Directed							
Governance Framework	-	11% (1)	33% (3)	-	15% (2)	↑	
Risk Mitigation	-	-	-	-	-	↔	
Control Compliance	-	78% (7)	56% (5)	-	85% (11)	1. ↑	
Delivery							
Performance Monitoring	-			-	-	↔	
Sustainability	100% (1)			-	-	↔	
Resilience	-		11% (1)	-	-	↔	

Frauds/Irregularities

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

Other Matters

9. We have issued a number of briefing notes and fraud digests, shown in Appendix B, since the previous SICA report.

Responsibility/Disclaimer


10. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.


Appendix A: Progress against Annual Plan 2024-25


System	Planned Quarter	Current Status	Comments
Collaborative – Pan Wales			
Sustainability	1	Planned start date 10 th December 2024	Lead Force – Gwent Police – moved to late Q3 at the request of Dyfed-Powys
Connect Teams Channels	2		Audit Cancelled by each force
Uniform Stores	2	Draft report issued 11 th October 2024	Lead Force – Gwent Police – Final report delayed by Gwent Police
Health and Safety	2	Final report issued 8 th November 2024	Lead Force – North Wales Police
Payroll	4	Planned start date 21 st November 2024	Lead Force – Dyfed - Powys Police
North Wales Only			
Western Area – Command Unit	1	Final report issued 2 nd October 2024	
Business Continuity Planning	1	Final report issued 16 th September 2024	
Performance Management	2	Final report issued 17 th October 2024	
ICT Infrastructure Review	2	TBC	
Commissioners Grants	2	Final report issued 16 th September 2024	
Fleet Management – Repairs	2	Deferred to 2025-26	Moved to Q4 at the request of Management and now deferred to 2025-26 due to new system being implemented
ICT Data Assurance	2	Suggested start date 6 th January 2025	
Risk Management – Mitigating Controls	2	Draft report issued 11 th November 2024	
Cyber Security	3	TBC	

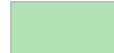
System	Planned Quarter	Current Status	Comments
Capital Programme – Project Management	3	Draft report issued 6 th November 2024	
HR Absence Management linked to Agility	3	Final report issued 5 th November 2024	Brought forward from Q2 at the request of Management
HR Management Strategy	3	Fieldwork completed	
Expenses and Additional Payment	3	Draft report issued 13 th November 2024	
Treasury Management	3	Planned start date 10 th December 2024	
Creditors	3	Fieldwork completed	
Anti-Fraud/Counter Fraud	3	Fieldwork completed	
Pensions	3	Final report issued 6 th November 2024	
Property Subject to Charge (Evidential Property)	4	Planned start date 3 rd February 2025	
Occupational Health Unit	4	Planned start date 17 th December 2024	
ICT Network Security	4	TBC	
Follow-up (year-end)	4	Planned start date 12 th February 2025	
Contingency	1-4		
Liaison with Audit Wales Management	1-4		
Annual Planning	1	Final Report Issued 9 th July 2024	
Annual Report	4		
Audit Management	1-4		

KEY:

 To be commenced

 Site work commenced

 Draft report issued

 Final report issued

Appendix B: Briefings on Developments in Governance, Risk and Control

TIAA produce regular briefing notes to summarise new developments in Governance, Risk, Control, Counter Fraud and Security Management which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those briefings issued in the last three months which may be of relevance to North Wales Police is given below:

Summary of recent Client Briefings and Alerts

Date Issued	Sector	Briefing Type	Subject	Web Link	TIAA Comments
16 OCTOBER 2024	ALL	TIAA News	Give a Helping Hand Charity Team Building	Give a Helping Hand Charity Team Building - TIAA	Our Head Office staff recently took part in a team building event, organised by team tactics, which saw them building a number of prosthetic hands destined for individuals in developing countries.
11 OCTOBER 2024	ALL	Newsletter	Security Focus Newsletter Edition 8	Security Focus Newsletter Edition 8 - TIAA	Security and risk management is a key challenge for any organisation, this newsletter contains lots of useful advice and tips to help ensure a safe and secure environment for your staff and visitors. No organisation wants the disruption or bad publicity that incidents of violence and aggression against your staff or crimes against your property create.
07 OCTOBER 2024	ALL	Industry News	Protect Duty Update – (The Terrorism (Protection of Premises Bill)	Protect Duty Update - (The Terrorism (Protection of Premises Bill) - TIAA	An update and key points on the Terrorism (Protection of Premises) Bill.
01 OCTOBER 2024	ALL	TIAA Article	Celebrating Cyber Security Month: Protecting Our Digital World	Celebrating Cyber Security Month: Protecting Our Digital World - TIAA	As we step into Cyber Security Month, it's a perfect time to reflect on the importance of safeguarding our digital lives. In an era where technology is deeply intertwined with our daily activities, understanding and implementing robust cyber security measures is crucial. Find out about the importance of cyber security, getting the basics right and emerging trends.
26 SEPTEMBER 2024	ALL	Anti-Crime Alert	Mandate Fraud Alert	Mandate Fraud Alert - TIAA	A TIAA client has been targeted by fraudsters in an attempted mandate fraud. Read the full details in our alert.

16 SEPTEMBER 2024	Emergency Services	TIAA Article	Empowering Emergency Services with Comprehensive Business Assurance	<u>Empowering Emergency Services with Comprehensive Business Assurance - TIAA</u>	TIAA's assessment of the current risks in the Emergency Services Sector.
11 SEPTEMBER 2024	ALL	Briefing Note	Authorised Push Payment Scams	<u>Authorised Push Payment Scams - TIAA</u>	An implementation date of 7 October 2024 for Authorised Push Payment scam protection, is confirmed by the Payment Systems Regulator. Authorised Push Payment (APP) fraud is a significant issue and can have a devastating impact on victims. The PSR is taking a leading role in improving outcomes for consumers by introducing new protections for victims of APP scams, while incentivising industry to implement enhanced fraud prevention tools.
03 SEPTEMBER 2024	ALL	Video	TIAA's B Corp Story	<u>TIAA's B Corp Story - TIAA</u>	TIAA is proud to be a certified B Corporation (or B Corp), joining a growing movement of companies that are reinventing business for the benefit of all people and our shared planet. Watch our B Corp Story.

Appendix C: Updates to Global Internal Audit Standards

In January 2024, the Institute of Internal Auditors released the long-awaited changes to the industry's Standards that will have far-reaching impact on the year(s) ahead.

The standards will be adopted by 9th January 2025.

There are some significant changes that will provide internal audit functions with a refreshed framework and clearer requirements.

Key Innovations and Enhancements

Among the significant new requirements include:

- Establishment of an internal audit strategy.
- Heightened governance and oversight by the board and senior management.
- Enhanced reporting including ratings/rankings considerations.
- External quality assessments to be conducted by a team that includes at least one CIA.
- Technology considerations for the internal audit function's evolving needs.

Elevating the mandate and stature of Internal Audit

- Defining IA's purpose – business stakeholders should understand and be able to articulate the value of internal auditing and the mandate must be included in the internal audit charter.
- Separating independence and objectivity – Clear definitions
- Enhancing stakeholder coordination
- Building trust – Developing an approach to building relationships with key stakeholders and promote effective communication across all stakeholder groups

Maximising use of Technology

- Enabling technology as a key resource
- Using technology in audit operations – including audit planning, human and technology resource allocation
- Technology use in audit delivery – using technology to test more effectively and efficiently, for example using applications to test full populations instead of a sample (Increased costs)

Delivering more valuable results

- Promoting continuous improvement – responsible for measuring the performance of the IA function and ensuring it continuously improves
- Enhancing and elevating engagement level – A formal requirement of engagement reporting, including rating or ranking of audit findings, formulating recommendations, obtaining management’s action plans and developing an engagement conclusion
- Performing external quality assessments (EQAs) – The board of directors must review EQA results, and the assessment team must include at least one individual with an active certified internal auditor (CIA) designation

Structure of standards into 5 domains containing principles and standards. The key domain for Audit Committee members is Domain 3.

Domain 1 – Purposes of internal auditing and adding value

Domain 2 - Ethics and professionalism -behavioural expectations.




Domain 3 – Governing the IA Function (Relationship between IA and Board (Committee) and responsibilities)

Domain 4 – Managing the IA function

Domain 5 – Performing IA services – expectation on engagement

Topical Requirements - such as Cyber / Fraud and ESG will have updated standards against which TIAA must audit those topics when they come into the audit plans.

Useful Resource:

Title	
Audit Committee Presentation (IIA-UK) (Available on request)	 CIIA%20-%20Audit%20Committee-presen
Audit Committee Check List (IIA-UK) (Available on request)	 CIIA-Audit%20Comm ittee%20Annual%20A
IIA-UK Fact Sheet (Available on request)	 code-of-practice-doc ument_september202

Joint Audit Committee

Meeting Date: 4th December 2024

Title:	Risk Management Report (Open Session)
Author:	Neil T. Ackers, Risk and Business Continuity Lead
Purpose of the report:	To provide the Joint Audit Committee with an update on the organisational risk process and an oversight of the current risks recorded by North Wales Police and the North Wales Police and Crime Commissioner.
Level of Assurance:	SUBSTANTIVE
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> • All risks have been reviewed monthly by the Risk and Business Continuity Lead ensuring they are updated and remain on target. A dated entry is made alongside the review within the embedded risk record 'supporting information document'. • Reminders have been sent to Risk Leads to review and update their ongoing risks and actions either on a monthly or quarterly basis (dependent on the risk type). • Since the previous update all risks on the Force Risk Register have been reviewed in the following meetings with no issues or exceptions having been raised. <ul style="list-style-type: none"> • Senior Management Team Meetings • Strategic Management Board • Strategic Executive Board • Excellent Service Delivery Board • Fit for the Future Board • Strategic People Board • Strategic Change and Collaboration Board • Technology Board • Assurance Board • On the 3rd December 2024, Neil T. Ackers, Risk and Business Continuity Lead retired from North Wales Police having joined the Organisation in 1985. Neil has been in this role since April 2021 and is replaced by Roger Punnett. • The Force were pleased to receive a Substantial Audit Grading by our Internal Auditor's TIAA for the 'Assurance Review of Risk Management – Mitigating Controls' undertaken in September 2024.
Recommendations:	None
Risk register impact:	This report is based on details recorded on the Force Risk Register.
Assurance implications:	This report is directly relevant to the development of assurance in North Wales Police.
Equality Impact:	None
Information exempt from disclosure:	Yes (highlighted in yellow)

1. INTRODUCTION

The purpose of this report is to provide an update on the organisational risk management process and allow oversight of the status of North Wales Police and Crime Commissioner and North Wales Police risks and is based on information received and recorded by 12th November 2024 on the Force Risk Register version 8.11.

Project risks are managed separately within the Portfolio Management Office; however, those that require Force attention are escalated to the Force Risk Register through the agreed process documented in the Risk and Assurance Mapping Practice Guide v1.11.

2. FORCE RISK REGISTER SUMMARY

We continue to embed our approach to Risk Management across the organisation through regular interaction with the Risk Leads/Owners dependent on the risk type.

Reminders have been sent to relevant individuals to review and update ongoing actions to ensure the risk remains on target.

In addition to this we continue to conduct a monthly review of all risks and raised any concerns or issues with the Risk Leads and Senior Management Team's (SMT's) via their risk highlight reports. Risks are also reported to and reviewed at the Senior Management Team (SMT) Meetings, Strategic Management Board (SMB), Strategic Executive Board (SEB), Excellent Service Delivery Board, Fit for the Future Board, Strategic People Board (SPB), Strategic Change and Collaboration Board (SCCB) and Technology Board with no issues or exceptions having been raised.

A summary of all risks recorded on the Force Risk Register are also reported to the Assurance Board.

Table 1: - NWP risks on the Force Risk Register 2nd September 2024 – 12th November 2024

Risk Levels Before Controls	Previous NWP Risk Total	Risks removed in this period	New Risks in this period	NWP Risks currently recorded on Force Risk Register
Critical	10	0	0	10
High	15	0	0	15
Medium	1	0	0	1
Total	26	0	0	26

Table 2: - OPCC risks on the Force Risk Register 2nd September 2024 – 12th November 2024

Risk Levels Before Controls	Previous OPCC Risk Total	Risks removed in this period	New Risks in this period	OPCC Risks currently recorded on Force Risk Register
Critical	1	0	0	1
High	0	0	0	0
Medium	0	0	0	0
Total	1	0	0	1

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

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

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

There has been no new OPCC risks added to the Force Risk Register since the last JAC risk report.

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

There have been no risks closed and removed from the Force Risk Register since the last report.

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

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

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

There have been no NWP risks that have changed their Present Risk Levels since the last report.

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

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

9. FORCE RISK REGISTER ACTIONS

• **Risk Actions RAG Ratings - NWP**

Actions Not on Track	Actions On Track but with Issues	Actions On Track	Completed Actions
0	9	58	80

• **Risk Actions RAG Ratings - OPCC**

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

Risks highlighted with '*Actions On Track but with issues*' relate to Actions that are currently marked as pending or stalled and awaiting decisions on progression.

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

10. DEVELOPMENTS REGARDING RISK MANAGEMENT

On the 3rd December 2024, Neil T. Ackers, Risk and Business Continuity Lead retired from North Wales Police having joined the Organisation in 1985. Neil has been in this role since April 2021 and is replaced by Roger Punnett.

The Force were pleased to receive a **Substantial** Audit Grading by our Internal Auditor's TIAA for the 'Assurance Review of Risk Management – Mitigating Controls' undertaken in September 2024. The two risks selected for audit were:

- Risk 60 – Cyber Security Threats
- Risk 118 – Command and Control Replacement

11. SUMMARY OF NWP RISKS ON FORCE RISK REGISTER AS AT 12/11/2024

URN	Risk Title	Risk Levels			Risk Type	Date Risk Raised	Last Review Date	Risk Actions Progress				
		Before Controls	Present	Target				Outstanding Actions	Completed Actions	On Track	On Track with Issues	Not on Track
003	REDACTED CLOSED SESSION	High	Medium	Low	Annual	10/08/16	10/07/24	1	1	1		
054	REDACTED CLOSED SESSION	High	Medium	Low	Dynamic	29/04/20	09/10/24	1	2	1		
060	REDACTED CLOSED SESSION	Critical	High	Medium	Static	19/05/20	06/11/24	3	3	3		
071	Pensions	High	Medium	Medium	Static	20/01/21	01/03/24	2	3	2		
074	REDACTED CLOSED SESSION	Critical	Medium	Medium	Dynamic	04/06/21	12/09/24	1	14	1		
088	REDACTED CLOSED SESSION	High	High	Low	Dynamic	01/02/22	07/10/24	4	3	4		
091	Loss of money invested on the money market	Critical	Low	Low	Static	16/02/22	10/09/24	2	2	2		
093	Inadequate financial resources to deliver service plans for period 01/04/2024 to 31/3/2029	Critical	Medium	Medium	Static	15/03/22	01/03/24	2	2	2		
098	REDACTED CLOSED SESSION	Critical	High	Medium	Dynamic	19/05/22	15/07/24	2	5	-	2	
101	REDACTED CLOSED SESSION	Medium	Low	Negligible	Static	07/06/22	02/07/24	1	1	1		
105	REDACTED CLOSED SESSION	High	High	Medium	Static	03/01/23	28/10/24	4	1	1	3	
108	REDACTED CLOSED SESSION	Critical	High	Negligible	Dynamic	20/12/22	09/10/24	2	5	-	2	
110	REDACTED CLOSED SESSION	High	High	Medium	Static	09/05/23	11/09/24	2	0	2		
112	REDACTED CLOSED SESSION	Critical	High	Low	Dynamic	01/05/23	19/10/24	2	3	2		
115	REDACTED CLOSED SESSION	High	Medium	Negligible	Static	20/06/23	06/09/24	1	4	1		
117	REDACTED CLOSED SESSION	High	Low	Low	Dynamic	18/07/23	11/11/24	2	0	2		
118	REDACTED CLOSED SESSION	High	High	Low	Static	14/09/23	12/08/24	3	3	3		
120	REDACTED CLOSED SESSION	Critical	High	Medium	Dynamic	10/10/23	21/10/24	2	0	2		
121	REDACTED CLOSED SESSION	Critical	Critical	Low	Dynamic	10/10/23	22/10/24	2	4	2		
123	Leavers Process	High	Medium	Medium	Static	28/11/23	30/09/24	5	7	5		
124	REDACTED CLOSED SESSION	High	Medium	Low	Dynamic	20/12/23	11/11/24	2	4	2		
125	REDACTED CLOSED SESSION	High	High	Low	Dynamic	09/01/24	09/11/24	3	1	1	2	
127	REDACTED CLOSED SESSION	High	Low	Low	Static	08/04/24	25/07/24	1	2	1		
128	Go Safe Financial Sustainability	High	Medium	Low	Static	21/02/24	24/09/24	1	3	1		
129	Use of Artificial Intelligence (AI) in NWP	Critical	High	High	Dynamic	22/02/24	23/10/24	16	3	16		
130	REDACTED CLOSED SESSION	High	Medium	Medium	Static	02/04/24	23/07/24	0	4	0		

12. SUMMARY OF OPCC RISKS ON FORCE RISK REGISTER AS AT 12/11/2024

URN	Risk Title	Risk Levels			Risk Type	Date Risk Raised	Last Review Date	Risk Actions Progress				
		Before Controls	Present	Target				Outstanding Actions	Completed Actions	On Track	On Track with Issues	Not on Track
109	Adequacy of financial resources 2024/2025	Critical	Medium	Medium	Static	26/04/23	22/10/24	2	0	2		

Joint Audit Committee

Meeting Date: 4 December 2024

Title;	Proposed Work Programme
Author:	Chief Finance Officer
Purpose of the report:	To agree the work programme
Level of Assurance	N/A
The report is provided to JAC for: (tick one)	<input type="checkbox"/> X Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<ul style="list-style-type: none"> Ensures that the Committee is able to fulfil its duties in line with statutory deadlines, and that all of the Committee’s responsibilities are discharged during the course of each year. Items which are mandatory are noted as such, and where these items would normally be considered by a statutory deadline, this deadline is also highlighted.
Recommendations:	1. To approve the work programme (which may take into account suggested amendments arising from the meeting).
Risk register impact:	One of the purposes of the Committee is to provide assurance to the Police and Crime Commissioner and the Chief Constable that financial and non-financial risks are being managed effectively.
Assurance implications:	The purpose of Joint Audit Committee is to provide assurance to the Police and Crime Commissioner and the Chief Constable, in line with the Terms of Reference. The work programme helps to ensure that all relevant areas are presented to the Committee.
Equality Impact:	Equalities legislation was taken into account when recruiting the independent members of the Joint Audit Committee. There is a Joint Equalities’ Scheme in place.
Information exempt from disclosure:	None.

JOINT AUDIT COMMITTEE
4 December 2024
PROPOSED WORK PROGRAMME
Report by the Chief Finance Officer

1. INTRODUCTION

- 1.1 The Joint Audit Committee is provided with a programme of work for at the forthcoming year. This ensures that the Committee is able to fulfil its duties in line with statutory deadlines, and that all of the Committee’s responsibilities are discharged during the course of each year.
- 1.1 In addition, items to be presented to the Joint Audit Committee are identified by various means – by officers, staff or the Committee members. These have been added to the work programme on a less formal basis, and are added to the agenda as appropriate.
- 1.2 Members are invited to suggest items to include on the work programme, and can do so by contacting the Chief Finance Officer.
- 1.3 This report, therefore, includes the proposed work plan for the next twelve months. Where a meeting date has not yet been finalised, the month of the meeting is shown for guidance.

2. RECOMMENDATIONS

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

3. WORK PROGRAMME

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

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

Date of Meeting	Work Programme 2024/25	Purpose
All (Until Further Notice)	<ul style="list-style-type: none"> • Business Update incl. VfM <i>JAC request</i> • HMICFRS Update (incorporated above unless significant) <i>core function</i> • Internal Audit Update <i>core function</i> • Risk Update <i>core function</i> • Organisational changes <i>core function</i> • ICT Digital Update – Command & Control, Windows 2008 & NEP milestones <i>closed sessions wider function</i> • Work Programme • JAC Action Plan Update <i>closed sessions</i> 	<ul style="list-style-type: none"> • JAC request • TOR (core) • TOR (core) • TOR (core) • TOR (core) • Force request • To ensure all core and other mandatory functions are planned in line with statutory deadlines, and to ensure all wider functions and other items agreed are timetabled. • JAC request

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

Date of Meeting	Work Programme 2024/25	Purpose
25 March 2025	<ul style="list-style-type: none"> • Audit Wales – Value for Money and Annual Audit Report (Management Letter) 	<ul style="list-style-type: none"> • TOR (core) <ul style="list-style-type: none"> ○ Delayed – dependent on signing of accounts

	<ul style="list-style-type: none"> • Capital Strategy (including Treasury Management Strategy) – focus on underspend • Governance update – including draft AGS • Audit Wales – annual plan • Ethics Update • Estates Strategy • Talent Mapping Update • Readiness for new PSIAS • Value for Money Update – force • Whistle-blowing – briefing on measures in place from Head of Professional Standards • Risk deep dive – Risk 91 – Loss of money invested on the money market • Collaboration 	<ul style="list-style-type: none"> • TOR (core/wider – mandatory to be approved by 1 April 2025) • TOR (core) • TOR (core) • TOR (core) • Linked to capital strategy (core/wider function) • JAC request • TOR (core) • TOR (wider) • TOR (core) • TOR (core) • TOR (core)
June/July 2025 (tbc)	<ul style="list-style-type: none"> • Accounts Technical Briefing • Introduction to accounts 	<ul style="list-style-type: none"> • Linked to mandatory requirement for JAC to review the accounts before signature by the PCC/CC
29 July 2025	<ul style="list-style-type: none"> • Force Management Statement – briefing • Self-assessment and Annual report of JAC – final report • Risk Strategy & Risk Appetite Statement – Annual review • Treasury Management Performance • Legal report • Cultural Audit – update on action plan • Briefing - Commissioned services (including Checkpoint) 	<ul style="list-style-type: none"> • TOR (wider) • TOR (to ensure independence and accountability) • TOR (core) • TOR (core/wider – interim reporting is mandatory) • TOR (core/wider) • TOR (wider) • JAC request

	<ul style="list-style-type: none"> • Risk deep dive – Risk 125 – in-vehicle recording system (<i>closed session</i>) • Sustainability 	<ul style="list-style-type: none"> • TOR (core) • TOR (wider)
Autumn 2025 (tbc)	<ul style="list-style-type: none"> • All Wales JAC training session 	<ul style="list-style-type: none"> • TOR (core)
28 October 2025	<ul style="list-style-type: none"> • ISA260 and signing of accounts • Governance update • Sustainability Update • HMICFRS Value for Money Profiles • Procurement update (including implementation of new regulations) • Risk deep dive – Risk 129 – AI (<i>closed session</i>) 	<ul style="list-style-type: none"> • Statutory function. Deadline is 31 July 2025, but extended dates in 2025. • TOR (core) • TOR (core) • TOR (core) • TOR (core) • TOR (core)
16 December 2025	<ul style="list-style-type: none"> • Audit Wales – Value for Money and Annual Audit Report (Management Letter) • Governance Update • Treasury Management Performance • Legal report • Value for Money Update – force • HMICFRS Report – PEEL Review 	<ul style="list-style-type: none"> • TOR (core) • TOR (core) • TOR (core/wider – reporting is mandatory) • OPCC/Force request • TOR (core) • TOR (Core)

Other items to be discussed with JAC	<p>JAC Evaluation Action Plan – Ensure that dedicated and closed sessions are scheduled as required to progress the JAC Evaluation plan actions as required. This includes reviewing the effectiveness of assurance providers considering the provision of internal audit services specifically.</p> <p>Roll-out of IT Programme (monthly, outside of meetings)</p> <p>Meeting between Joint Audit Committee and Audit Wales</p> <p>Meeting between Joint Audit Committee and Internal Audit</p>
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	Sustainability and decarbonisation Review/oversee governance arrangements for partnerships & collaboration <i>core function</i>
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4. IMPLICATIONS

4.1	Equality	Equalities legislation was taken into account when recruiting the independent members of the Joint Audit Committee. There is a Joint Equalities' Scheme in place.
4.2	Financial	Planning the work for the forthcoming year reduces the need for ad-hoc meetings.
4.3	Legal	Legislation requires that a Joint Audit Committee be established. The functions of the Joint Audit Committee are summarised within its Terms of Reference , which has been prepared in accordance with <i>Audit Committees\Practical Guidance for local Authorities and police - 2022 Edition (CIPFA)</i> . This work programme takes account of the statutory and practical requirements to fulfil these obligations.
4.4	Community	Meeting papers and minutes are published, and the meetings are open for the public to attend.
4.5	Risk	One of the purposes of the Committee is to provide assurance to the Police and Crime Commissioner and the Chief Constable that financial and non-financial risks are being managed effectively.
4.6	Police and Crime Plan	The role of the Joint Audit Committee is part of the overall Police and Crime Plan.

Report Author:

Kate Jackson
Chief Finance Officer, Office of the Police and Crime Commissioner

Joint Audit Committee

Meeting Date: 5 December 2024

Title:	Semi-annual Treasury Management Report 2024-25
Author:	Chief Finance Officer
Purpose of the report:	To report on the performance of the treasury management function
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Executive Summary / Key Points:	<ul style="list-style-type: none"> • The CIPFA's Treasury Management (TM) in the Public Services' Code of Practice requires a report on performance of the TM function to be considered by JAC at least twice a year. • There is a new requirement in the revised 2021 Code, mandatory from 1st April 2023, of quarterly reporting of the treasury management prudential indicators. These are reported by exception to the Strategic Executive Board and the Strategic Management Board, and also include non-treasury prudential indicators. • It contains a summary of TM activity undertaken in the first six months of 2024-25. • It deals with the investment of surplus cash and any borrowing requirements. The Police and Crime Commissioner currently has strong balance sheet resources which results in a net investor position going forward (i.e. no projected need to borrow for the medium-term). • It highlights whether or not any limits or indicators were breached. In the 6 months relevant to this report, no statutory indicators were breached.
Recommendations:	The report is submitted to the Joint Audit Committee for information and comment, and to provide further assurance prior to submission to the Police and Crime Commissioner
Risk register impact:	No impact – the arrangements are designed to manage the risk from investing and borrowing.
Assurance implications:	The report sets out the performance against agreed rules and limits for investing and borrowing money per the TM Strategy in place for 2023-24.
Equality Impact:	No impact.
Information exempt from disclosure:	No exempt information.

Treasury Management Report H1 2024/25

1. Introduction

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

This report includes the requirement in the 2021 Code of quarterly reporting of the treasury management prudential indicators. These are reported by exception to the Strategic Executive Board and the Strategic Management Board, and also include non-treasury prudential indicators.

The Police and Crime Commissioner's treasury management strategy for 2024/25 was formally adopted as part of its Capital Strategy on 28th March 2024 by the Commissioner following scrutiny by the Joint Audit Committee on the 28th March 2024. The Police and Crime Commissioner invests substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Police and Crime Commissioner's treasury management strategy.

2. External Context

Economic background: UK headline consumer price inflation remained around the Bank of England (BoE) target later in the period, falling from an annual rate of 3.2% in March to 2.0% in May and then rebounding marginally to June to 2.2% in July and August, as was expected, due to base effects from energy prices. Core and services price inflation remained higher at 3.6% and 5.6% respectively in August.

The UK economy continued to expand over the period, albeit slowing from the 0.7% gain in the first calendar quarter to 0.5% (downwardly revised from 0.6%) in the second. Of the monthly figures, the economy was estimated to have registered no growth in July.

Labour market data was slightly better from a policymaker perspective, showing an easing in the tightness of the job market, with inactivity rates and vacancies declining. However, a degree of uncertainty remains given ongoing issues around the data collected for the labour force survey by the Office for National Statistics. Figures for the three months to July showed the unemployment rate fell to 4.1% (3mth/year) from 4.4% in the previous three-month period while the employment rate rose to 74.8% from 74.3%.

Over the same period average regular earnings (excluding bonuses) was 5.1%, down from 5.4% in the earlier period, and total earnings (including bonuses) was 4.0% (this figure was impacted by one-off payments made to NHS staff and civil servants in June and July 2023). Adjusting for inflation, real regular pay rose by 2.2% in May to July and total pay by 1.1%.

With headline inflation lower, the BoE cut Bank Rate from 5.25% to 5.00% at the August Monetary Policy Committee (MPC) meeting. The decision was finely balanced, voted by a 5-4 majority with four members preferring to hold at 5.25%. At the September MPC meeting, committee members voted 8-1 for no change at 5.00%, with the lone dissenter preferring Bank Rate to be cut again to 4.75%. The meeting minutes and vote suggested a reasonably hawkish tilt to rates, with sticky inflation remaining a concern among policymakers.

The latest BoE Monetary Policy Report, published in August, showed policymakers expected GDP growth to continue expanding during 2024 before falling back and moderating from 2025 to 2027. Unemployment was

forecast to stay around 4.5% while inflation was shown picking up in the latter part of 2024 as the previous years' energy price declines fell out of the figures before slipping below the 2% target in 2025 and remaining there until early 2027.

Arlingclose, the Police and Crime Commissioner's treasury adviser, maintained its central view that Bank Rate would steadily fall from the 5.25% peak, with the first cut in August being followed by a series of further cuts, with November 2024 the likely next one, taking Bank Rate down to around 3% by the end of 2025.

The US Federal Reserve (the Fed) also cut interest rates during the period, reducing the Federal Funds Rate by 0.50% to a range of 4.75%-5.00% at its policy meeting in September. The forecasts released at the same time by the central bank suggested a further 1.00% of easing is expected by the end of the calendar year, followed by the same amount in 2025 and then a final 0.50% of cuts during 2026.

Having first reduced interest rates in June, the European Central Bank (ECB) held steady in July before cutting again in September, reducing its main refinancing rate to 3.65% and its deposit rate to 3.50%. Unlike the Fed, the ECB has not outlined a likely future path of rates, but inflation projections remain in line with the central bank's previous forecasts where it will remain above its 2% target until 2026 on an annual basis.

Financial markets: Sentiment in financial markets continued to mostly improve over the period, but the ongoing trend of bond yield volatility remained. The general upward trend in yields in the early part of the period was reversed in the later part, and yields ended the half-year not too far from where they started. However, the volatility in response to economic, financial and geopolitical issues meant it was a bumpy ride for bond investors during that time.

Over the period, the 10-year UK benchmark gilt yield started at 3.94% and ended at 4.00% but hit a high of 4.41% in May and a low of 3.76% in mid-September. While the 20-year gilt started at 4.40% and ended at 4.51% but hit a high of 4.82% in May and a low of 4.27% in mid-September. The Sterling Overnight Rate (SONIA) averaged 5.12% over the period to 30th September.

Credit review: Arlingclose maintained its advised recommended maximum unsecured duration limit on all banks on its counterparty list at 100 days.

Having had its outlook increased by Fitch and ratings by S&P earlier in the period, Moody's upgraded Transport for London's rating to A2 from A3 in July.

Moody's also placed National Bank of Canada on Rating Watch for a possible upgrade, revising the outlook on Standard Chartered to Positive, the outlook to Negative on Toronto Dominion Bank, and downgrading the rating on Close Brothers to A1 from Aa3.

S&P upgraded the rating on National Bank of Canada to A+ from A, and together with Fitch, the two rating agencies assigned Lancashire County Police and Crime Commissioner with a rating of AA- and A+ respectively.

Credit default swap prices were generally lower at the end of the period compared to the beginning for the vast majority of the names on UK and non-UK lists. Price volatility over the period was also generally more muted compared to previous periods.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Police and Crime Commissioner's counterparty list recommended by Arlingclose remain under constant review.

3. Local Context

On 31st March 2024, the Police and Crime Commissioner had net investments of £30.5m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.24 Actual £m	2023-24 Benchmark £m
General Fund CFR	26.4	32.3
Less: *Other debt liabilities	(6.2)	(6.2)
Borrowing CFR	20.2	26.1
External borrowing	(7.9)	# (7.9)
Internal (over) borrowing	12.3	18.2
Less: Balance sheet resources	(42.8)	(28.2)
Net borrowing / (investments)	(30.5)	# (10.0)

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

Source: Capital Strategy Report 2023-24 (various tables)

to maintain minimum investment benchmark of £10m

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

Table 2: Treasury Management Summary

	31.3.24 Balance £m	Movement £m	30.9.24 Balance £m	30.9.24 Weighted Average Rate %	2024-25 Benchmark £m
Long-term borrowing	7.9	(0.3)	7.6	1.25	7.4
Short-term borrowing	0.0	0.0	0.0	-	-
Total borrowing	7.9	(0.3)	7.6	1.25	7.4
Long-term investments	0	0	0	-	-
Short-term investments	(22.7)	(32.1)	(54.8)	(4.31)	-
Cash and cash equivalents	(7.8)	(1.3)	(9.1)	(0.69)	-
Total investments	(30.5)	(33.4)	(63.9)	(5.00)	# (10.0)
Net investments	(22.6)	(33.7)	(56.3)	(3.75)	-

to maintain minimum investment benchmark of £10m

4. Borrowing Strategy and Activity

As outlined in the treasury strategy, the Police and Crime Commissioner's chief objective when borrowing has been to strike an appropriately risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Police and Crime

Commissioner’s long-term plans change being a secondary objective. The Police and Crime Commissioner’s borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. At the present time short term interest rates are higher than long term interest rates.

After substantial rises in interest rates since 2021 many central banks have now begun to reduce rates, albeit slowly. Gilt yields were volatile over the 6-month period and have reduced slightly between April and September 2024. Much of the downward pressure from lower inflation figures was counteracted by upward pressure from positive economic data. Data from the US continues to impact global bond markets including UK gilt yields.

The PWLB certainty rate for 10-year maturity loans was 4.80% at the beginning of the half year and 4.79% at the end. The lowest available 10-year maturity rate was 4.52% and the highest was 5.18%. Rates for 20-year maturity loans ranged from 5.01% to 5.57% during the half year, and 50-year maturity loans from 4.88% to 5.40%.

Whilst the cost of short-term borrowing from other local authorities spiked to around 7% in late March 2024, primarily due a dearth of LA-LA lending/borrowing activity during the month, as expected shorter-term rates reverted to a more normal range and were generally around 5.00% - 5.25%.

CIPFA’s 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Police and Crime Commissioner. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes. The Police and Crime Commissioner has no new plans to borrow to invest primarily for financial return.

Loans Portfolio: At 30th September the Police and Crime Commissioner held £7.6m of loans, a decrease of £0.3m to 31st March 2024, as part of its strategy for funding previous and current years’ capital programmes. Outstanding loans on 30th September are summarised in Table 3A below.

Table 3A: Borrowing Position

	31.3.24 Balance £m	Net Movement £m	30.9.24 Balance £m	30.9.24 Weighted Average Rate %	30.9.24 Weighted Average Maturity (years)
Public Works Loan Board	7.9	(0.3)	7.6	1.25	12.5
Total borrowing	7.9	(0.3)	7.6	1.25	12.5

5. Other Debt Activity

Although not classed as borrowing, the Police and Crime Commissioner has one long-term contractual agreement under PFI (Private Finance Initiative). On 31st March 2024 total debt other than borrowing stood at £6.2m, taking total debt to £14.1m. An estimate of total debt at 30th September 2024 is £13.3m.

6. Treasury Investment Activity

The CIPFA Treasury Management Code defines treasury management investments as those investments which arise from the Police and Crime Commissioner’s cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Police and Crime Commissioner holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the half year, the Police and Crime Commissioner’s investment balances ranged between £30.4million and £76.4million due to timing differences between income and expenditure. The investment position is shown in graph 1 and table 4 below.

Graph 1: Daily Investment Balance

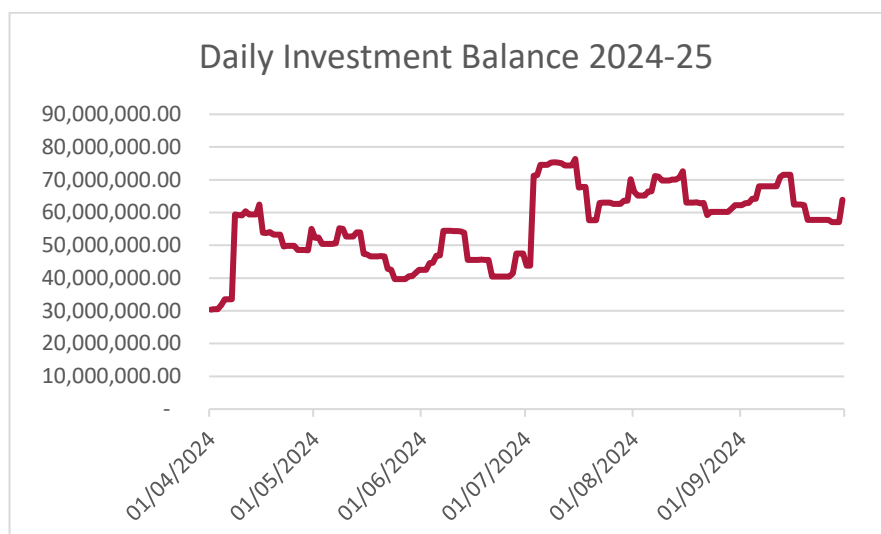


Table 4: Treasury Investment Position

	31.3.24 Balance £m	Net Movement £m	30.9.24 Balance £m	30.9.24 Income Return %	30.9.24 Weighted Average Maturity days
Banks & building societies (unsecured)	3.33	(3.07)	0.26	3.37	0.01
Covered bond (secured)	0.00	7.50	7.50	5.13	18.54
Government (incl. treasury bills and local authorities) and other govt entities	22.59	28.69	51.28	5.00	40.28
Money Market Fund	4.45	0.42	4.87	4.88	0.08
Total investments	30.37	33.54	63.91	5.00	58.90

Both the CIPFA Code and government guidance require the Police and Crime Commissioner to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Police and Crime Commissioner’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

As demonstrated by the liability benchmark in this report, the Police and Crime Commissioner expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different asset classes and boost investment income.

Bank Rate reduced from 5.25% to 5.00% in August 2024 with short term interest rates largely being around these levels. The rates on DMADF (Debt Management Account Deposit Facility) deposits ranged between 4.93% and 5.2% and money market rates between 4.8% and 5.3%.

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

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

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2024	4.04	AA-	26%	64	5.16%
30.09.2024	3.49	AA	8%	59	5.00%
Similar LAs	4.40	AA-	68%	31	4.77%
All LAs	4.60	A+	61%	11	4.90%

£7.5m that was available for the longer term was invested in covered bonds and £14.7m in Treasury Bills with the DMO (Debt Management Office).

The first six months of 2024/25 were marked by ongoing market volatility, with global bond yields remaining elevated, although trending downward as policymakers kept rates at a restrictive level in light of persistent core inflation until nearly the end of the period, when the MPC, Federal Reserve, and ECB began to deliver rate cuts and signal a shift towards loosening monetary policy.

Stock markets across the UK, Europe, and US were buoyed by hopes of rate cuts over the first half of the period. UK equities saw growth in small and mid-sized companies while the US continued to be supported by its strong IT sector, especially growth in AI companies which continued to outperform. IT names performed well in the Eurozone as well while consumer discretionary stocks declined. Towards the end of the period, market volatility spiked after worries about a US recession coincided with Japan’s central bank cutting interest rates, leading to the unwinding of the popular Yen ‘carry trade’. This saw a huge selloff in equities globally, but markets quickly recovered without lasting impact. Slowdown in the Chinese economy and ongoing geopolitical tension in the Middle East and Europe continue to weigh on investor sentiment but are somewhat offset by the loosening of monetary policy and prospect of further rate cuts. The FTSE All Share index was marginally lower at the end of the 6-month period at 4529 on 30/9/24 v 4338 on 31/3/24. The MSCI All Countries World Index was higher at 3,723 on 30/9/24 v 3,438 on 31/3/24.

After a sustained period of high interest rates, central banks began to reverse course towards second half of the year. The European Central Bank began to cut rates in June, the Bank of England delivered its first rate cut in August, and the Federal Reserve surprised markets with an outsized rate cut of 50bps in September. The stabilisation in interest rates and well telegraphed move towards rate cuts, albeit at a much more conservative pace than previously expected, has allowed fund managers to position for a falling rate environment.

UK commercial property values started to stabilise, then improve slightly towards the end of the period, with interest rates being cut from their peak and investor attention turning to the timing of further interest rate cuts. Transaction activity remains somewhat subdued but signs of recovery in the occupier and rental markets as well as moderate economic growth and further falling interest rates are hoped to be favourable for an improving property sector outlook over the medium term. Capital growth is expected to be gradual while income levels remain strong for many sub-sectors.

The Police and Crime Commissioner had budgeted £1.72m income from these investments in 2024/25 and has since revised this estimate to £2.02m. Income received up to 30th September was £0.61m, whilst a further £1.19m will accrue from agreed investments.

Statutory override: In April 2023 the Ministry for Housing, Communities and Local Government published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for 2 years until 31st March 2025 but no other changes have been made; whether the override will be extended beyond the new date is unknown but commentary to the consultation outcome suggests not.

7. Non-Treasury Investments

The definition of investments in the Treasury Management Code now covers all the financial assets of the Police and Crime Commissioner as well as other non-financial assets which the Police and Crime Commissioner holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

Investment Guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG) and Welsh Government also includes within the definition of investments all such assets held partially or wholly for financial return.

The Police and Crime Commissioner doesn't hold any non-treasury investments.

8. Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the half year complied fully with the principles in the Treasury Management Code and the Police and Crime Commissioner's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Table 7: Investment Limits

	2024/25 Maximum	30.9.24 Actual	2024/25 Limit	Complied? Yes/No
Any single organisation, except the UK Government	£7.50m	£7.50m	£7.50m	Yes
Money Market Funds	£4.98m	£4.87m	£5.00m	Yes
HSBC (being the Commissioner's bankers)	£0.38m	£0.00m	£10.0m	Yes

Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 8 below.

Table 8: Debt and the Authorised Limit and Operational Boundary

	H1 2024/25 Maximum	30.9.24 Actual	2024/25 Operational Boundary	2024/25 Authorised Limit	Complied? Yes/No
Borrowing	£7.9m	£7.6m	£26.19m	£28.19m	-
PFI and Finance Leases	£6.2m	£5.7m	#£5.13m	#£5.13m	-
Total debt	£14.1m	£13.3m	£31.32m	£33.32m	Yes

based on year-end position

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. However 'Total debt' has not been above the operational boundary since 1st April 2024.

9. Treasury Management Prudential Indicators

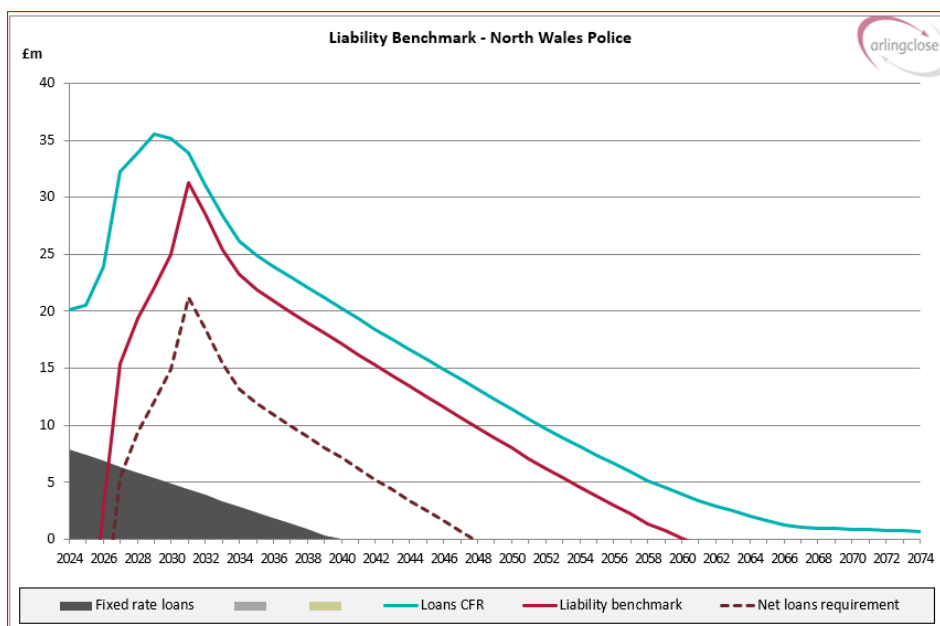
As required by the 2021 CIPFA Treasury Management Code, the Police and Crime Commissioner monitors and measures the following treasury management prudential indicators.

Liability Benchmark: This indicator compares the Police and Crime Commissioner's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Police and Crime Commissioner is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Police and Crime Commissioner must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

	31.3.24 Actual	31.3.25 Forecast	31.3.26 Forecast	31.3.27 Forecast
Loans CFR	£20.1m	£20.4m	£30.4m	£32.9m
Less: Balance sheet resources	(£55.6m)	(£40.6m)	(£36.4m)	(£33.9m)
Net loans requirement	(£35.5m)	(£20.2m)	(£6.0m)	(£1.0m)
Plus: Liquidity allowance	£10.0m	£10.0m	£10.0m	£10.0m
Liability benchmark	(£25.5m)	(£10.2m)	£4.0m	£9.0m
Existing borrowing	£7.9m	£7.4m	£6.9m	£6.4m

This is shown in the chart below together with the maturity profile of the Police and Crime Commissioner's existing borrowing.

Following on from the medium-term forecasts in the table above, the Police and Crime Commissioner plans to remain borrowed in line with its cash-flow forecast in order to minimise risk. The cash-flow forecast reflects the peaks and troughs over the financial year whereas the liability benchmark reflects a specific point in time – both need to be considered when deciding to borrow. The forecast above suggests that the Police and Crime Commissioner does not expect to borrow in 2024/25 but might need to consider borrowing (possibly short-term) in 2026/27.



The concept is that the above chart allows a comparison of current borrowing (the greyed-out fixed rate loans) against the need to borrow, looking at both the amount (on the y axis) and the term (on the x axis). Where actual loans exceed the liability benchmark (red line), the PCC could make long-term investments for cash flow management or repay loans early; where the liability benchmark exceeds loans, the PCC could take long-term borrowing or sell investments.

The loans CFR (blue line) can be described as the maximum permitted level of borrowing. Strictly speaking, the Prudential Code allows the PCC to hold debt up to the highest CFR forecast for the next three year-ends, but borrowing up to the loans CFR will usually mean high levels of investments, exposing the PCC to credit, price and interest rate risks.

The net loans requirement (dotted black line) is the minimum possible level of borrowing, at which investments would be zero. This would expose the authority to the liquidity risk of being unable to make payments when due.

The liability benchmark (red line) is then the sweet spot between the two, where an appropriate balance of risks can be struck between these two extremes.

There is no requirement to borrow exactly to the liability benchmark, but a decision to borrow more or less, or longer or shorter, than the benchmark implies a deliberate decision to accept additional risk. This may be entirely appropriate if it is accompanied by a reduction in cost, for example through short-term borrowing at lower margins. The liability benchmark provides the tool for the PCC to measure this risk and make such risk/reward decisions openly and explicitly.

Maturity Structure of Borrowing: This indicator is set to control the Police and Crime Commissioner’s exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper Limit	Lower Limit	30.9.24 Actual	Complied?
Under 12 months	100%	0%	6.28%	Yes
12 months and within 24 months	100%	0%	12.85%	Yes
24 months and within 5 years	100%	0%	40.57%	Yes
5 years and within 10 years	100%	0%	18.74%	Yes
10 years and above	100%	0%	21.55%	Yes

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

Long-term Treasury Management Investments: The purpose of this indicator is to control the Police and Crime Commissioner’s exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2024/25	2025/26	2026/27	No fixed date
Limit on principal invested beyond year end	£5m	£3m	£1m	£0m
Actual principal invested beyond year end	£0m	£0m	£0m	£0m
Complied?	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Additional indicators

Security: The Police and Crime Commissioner has adopted a voluntary measure of its exposure to credit risk by monitoring average credit rating of its investment portfolio.

	2024/25 Target	30.9.24 Actual	Complied?
Portfolio average credit rating	A-	AA	Yes

Liquidity: The Police and Crime Commissioner has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling twelve-month period. For practical purposes a lower operational limit of £7.5 million for a maximum of 14 days was set to avoid unnecessary short-term borrowing.

	2024/25 Target	30.9.24 Actual	Complied?
Minimum cash available within 12 months	£10m	£63.9m	Yes
Lower limit for a maximum of 14 days	£7.5m	-	Yes

Joint Audit Committee

Meeting Date: 4th December 2024

Title:	Legal Report
Author:	Philip Kenyon, Force Solicitor
Purpose of the report:	To provide information on litigation involving the Chief Constable of North Wales
Level of Assurance:	
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information
Summary / Key Points:	<p>The report contains details of civil claims received and resolved in the period 1st April – 30th September 2024 together with contracts and conveyancing transactions completed during the same period.</p> <p>This data is also presented to the Strategic Executive Board.</p>
Recommendations:	The report is noted.
Risk register impact:	No change.
Assurance implications:	The report provides adequate assurance.
Equality Impact:	Not applicable.
Information exempt from disclosure:	Exempt information is contained within a report for the closed session.

Civil Claims and Employment cases for the period 1st April – 30th September 2024

The Force Solicitor manages, handles and oversees all Public Liability and Employers' Liability civil claims issued against North Wales Police.

1. INTRODUCTION

The purpose of this report is to provide

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

BACKGROUND

The Civil Procedure Rules (CPR) apply to the conduct of civil cases in England and Wales. Under the Pre-Action Protocol set out in the Rules any prospective claimant is required to serve a letter of claim upon North Wales Police as respondent setting out their claim in full. Accordingly, all claims received by North Wales Police usually comprise a letter of claim alleging a head of damage and requesting compensation. It is rare and a breach of the procedural rules, for proceedings to be issued outside the rules of the pre-action protocol.

Employers' Liability Claims

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

Public Liability Claims

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

Vehicle Claims

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

Legal Department Resilience

The gap between the date of the civil claims solicitor leaving 22.3.24 and the replacement starting 20.1.25 have been challenging. The delay has been caused by a preferred candidate withdrawing from the process at a very late stage due to personal reasons. This has led to an increase in outsourcing claims and there will be an increase in outsourcing costs.

Employers' Liability

Our Insurers handle such claims which are overseen by the Force Solicitor. Some claims are outsourced in the event they become litigated or involve a specialist input. This has been agreed with our insurers.

Public Liability

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

D E T A I L

From 1st April – 30th September 2024 **36** letters of claim were received in the Legal Department of which **two** were Employers’ liability claims and **34** were Public Liability claims.

The table below, where marked red, shows the total number of claims received during the period 1st April – 30th September 2024. Proceedings have been issued in respect one of the claims received in the last 6 months.

(TABLE 1) - TOTAL NUMBER OF CLAIMS RECEIVED

Year	Employers’ Liability	Public Liability	Total
2019/2020	7	41	48
2020/2021	6	43	49
2021/2022	2	45	47
2022/2023	5	62	67
2023/2024	8	50	58
2024/2025	2	34	36

**Details of Public Liability claims received during
1st April – 30th September 2024 following on from a complaint**

Claims received following a complaint	Complaint results	Civil Claim results
4	1 x Partly upheld 2 x Learning identified 1 x still ongoing	4 x claims are being investigated.

(TABLE 2) - TOTAL NUMBER OF LIVE CLAIMS

There are currently 77 live on-going claims being dealt with in the Legal Department. It must be noted that incidents may have occurred in previous years.

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

Year of Incident	Employers' Liability	Public Liability
2013/2014	1	0
2014/2015	1	0
2015/2016	0	0
2016/2017	0	0
2017/2018	0	1
2018/2019	1	3
2019/2020	0	6
2020/2021	1	4
2021/2022	3	12
2022/2023	0	13
2023/2024	2	20
2024/2025	1	8
TOTAL	10	67
TOTAL NUMBER OF LIVE EMPLOYERS' AND PUBLIC LIABILITY CLAIMS:		77

CURRENT POSITION ON LIVE CIVIL CLAIMS

	Employers' Liability	Public Liability
Proceedings issued	4	6
Claims rebutted/defended	4	38
Claims not yet resolved	6	14
Claims still being investigated/complaints ongoing	0	15

(TABLE 3) - EMPLOYERS' LIABILITY CLAIMS

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

Type of Claim Received	19/20	20/21	21/22	22/23	23/24	24/25
Slips/Trips/Falls	5	3	1	2	4	1
Stress/Bullying	0	0	0	0	1	0
RSI	0	0	0	0	0	0
Hearing Loss	0	0	0	0	1	0
Injury whilst on training course	0	0	0	1	2	0
Other	2	2	1	2	2	1
Injuries to finger/hand	0	1	0	0	0	0
Total	7	6	2	5	8	2

Commentary

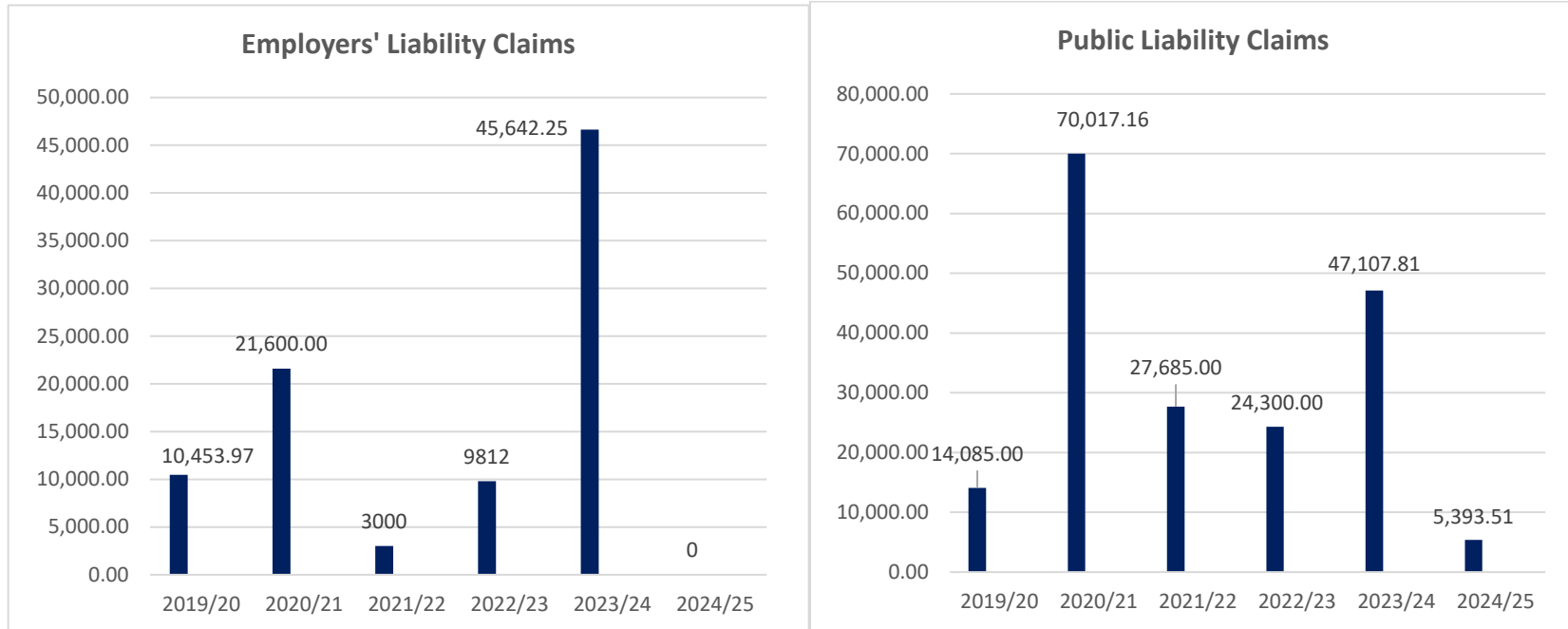
The most common type of claims received during the above years were slips, trips and falls.

(TABLE 4) – PUBLIC LIABILITY CLAIMS

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

Type of Claim Received	19/20	20/21	21/22	22/23	23/24	24/25
Assault/Battery	3	9	15	30	26	16
Breach of Data Protection Act	2	6	6	4	6	2
Breach of Human Rights Act	6	8	10	19	11	11
Embarrassment/Humiliation	0	0	1	2	1	0
False Imprisonment	11	12	20	32	25	14
Loss of Earnings	2	0	5	0	3	1
Malicious Prosecution	1	3	4	3	4	0
Misfeasance	0	3	3	0	2	1
Negligence	11	6	6	8	6	5
Personal Injury	2	2	4	5	4	2
Property Damage/seizure	19	14	7	5	8	2
Racial Discrimination	1	0	0	0	0	0
Slander/Libel/defamation	0	0	2	0	0	0
Trespass to Person	2	4	10	16	8	3
Trespass to Property	2	6	1	14	7	5
Unlawful Arrest	6	6	14	16	12	3
Total	68	79	108	153	123	65

Compensation awarded to Claimants between 1st April – 30th September 2024



**Costs paid to Claimants' Solicitors in relation to settled claims
between 1st April – 30th September 2024**

Employers' Liability Claims	Public Liability Claims
£0.00	£12,850.00

**North Wales Police's legal costs in relation to settled civil claims
finalised between 1st April – 30th September 2024**

Employers' Liability Claims	Public Liability Claims
£0.00	£0.00

CRU and NHS Payments

Employers' Liability Claims	Public Liability Claims
£0.00	£0.00

Breakdown of claims settled between 1st April – 30th September 2024

Category	Claim	Number of claims settled
Employers' Liability	Personal injury	0

Category	Claim	Number of claims settled
Public Liability	False imprisonment/unlawful arrest	2
Public Liability	Loss/damage to property	3

TOTAL NUMBER OF CIVIL CLAIMS CLOSED

The table below provides details of the number of claims which have been 'closed' since 2019. The table provides details of claims settled and where no settlement has been paid out together with the total for each year.

1st April – 31st March	Settled Claims	No settlements paid	Total closed
2019/2020	16	39	55
2020/2021	20	38	58
2021/2022	12	38	50
2022/2023	10	31	41
2023/2024	20	40	60
2024/2025	5	33	38

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

Number of Civil Claims Outsourced

Employers' Liability Claims

Year	Number of Claims Received	Number of Claims Outsourced
2019/2020	7	0
2020/2021	6	2
2021/2022	2	0
2022/2023	4	0
2023/2024	8	4
2024/2025	1	0

Public Liability Claims

Year	Number of Claims Received	Number of Claims Outsourced
2019/2020	41	1
2020/2021	43	2
2021/2022	44	6
2022/2023	62	4
2023/2024	50	1
2024/2025	36	0

Employment Matters

Details of Live Employment Claims

Received	Details of Live Claims
2024/25	1 x Disability Discrimination, Equal Pay and Whistleblowing

Contract and Tender matters for the period 1st April 2024 – 30th September 2024

ITEMS FOR INFORMATION

1. SEALING OF DOCUMENTS

The following documents have been sealed since those reported on in the last report dated 24th June 2024

<u>No of Seal</u>	<u>Nature of Document</u>
338, 339, 340	Sub-contractor's Deed of Collateral Warranty in triplicate re Refurbishment of Caernarfon Police Station between (1) Fred Weston (Electrical) Contractor Ltd (2) PCC for North Wales (3) T G Williams Builders Ltd
341, 342	Deed of Variation to the Collaboration Agreement re Wales Interpretation and Translation services between (1) County Council of the City and County of Cardiff (2) Other which includes the PCC for North Wales

2. PROPERTY TRANSACTIONS

1.	19.4.24	Exchange of contracts for sale of former Buckley Police Station conditional on grant of easement between (1) PCC for North Wales and (2) Kostadel Buckley Ltd
2	22.07.24	Sale of Buckley Police Station by (1) PCC for North Wales to (2) Kostadel Buckley Ltd
3	11.7.24	Licence to Occupy Unit 2 Llys Llen, Prestatyn LL19 9LH between (1) Denbighshire County Council (2) PCC for North Wales

3. TENDER DOCUMENTS

The following Tenders with a value over £10,000 which the PCC for North Wales or Chief Constable of NWP is party to are as follows:

<u>No</u>	<u>Subject</u>
217	Mounted Warning Access Equipment and accessories for vehicles
218	Supply and Installation of Lockers
219	Dog Kennelling Services
220	North Wales Estates Strategy
221	Holyhead Police Station New Build - Step 2
222	Fire Alarm Planned Service and Maintenance
223	Mechanical Engineering Services for Reactive Repair and Minor Works
224	Decontamination Services
225	Relocation of Prestatyn Police Station
226	Deeside Police Station Welfare Facilities Refurbishment
227	Llandegau Police Station – New Electronic Gates Project
228	Rhewl Toilet Refurbishment Works

229	Generator Maintenance Reactive Repair and Minor Works
230	FHQ Accessibility works
231	Planned Service & Maintenance for Mechanical Building Services

4. CONTRACTS Over £10,000

The following Contracts with a value over £10,000 which the PCC or Chief Constable is party to:

No	Date	Subject Matter
1058	26.3.23	Contract for the provision of auction services
1069	26.3.24	Contract for the provision of destruction and disposal of marked protected waste services
846	26.3.24	Contract for a Victim Help Centre
1070	2.4.24	Contract for the supply of detainee clothing and equipment
1071	16.4.24	Contract for public sector property Insurance
1072	19.5.24	Contract for the provision of batons
1073	29.5.24	Contract for the provision of fuel cards
1074	30.5.24	Contract for the supply of janitorial cleaning and washroom materials
837	5.6.24	Policing Education Qualification Framework contract
1075	23.5.24	Call off Contract for the provision of PSU clothing and Equipment
612	4.7.2024	Service Level Agreement – Supply and delivery of Kennelling Services
1078	25.6. 2024	Contract for decontamination services
1079	27.6.2024	Contract for Fire Alarm Service and maintenance to NWP & NWFRS
1080	1.7.2024	Contract for mounted warning lights – lot 1
1081	8.7.2024	Call off contract for the provision of trousers
1083	27.3.2024	North West Regional Collaboration Agreement (Section 22)
1085	12.7.2024	Contract for the supply, deliver and installation of Lockers

1080	17.7.2024	Contract for vehicle equipment mounted warning equipment and accessories – lot 4
1080	17.7.2024	Contract for vehicle equipment mounted warning equipment – lot 2 and 3
1086	22.7.2024	Contract for mechanical engineering services, reactive repairs and minor works
1087	25.7.2024	Call off contract for franking machine and postal equipment
1088	15.8.2024	Contract for provision of windscreens, glass and glazing for emergency services
1089	20.8.2024	Call off contract for the provision of vehicle telematics solutions
1090	28.8.2024	Call off contact for the conversion of Vauxhall vans to ISO compliant vans
1091	28.8.2024	Contract for consultancy services for business rates on properties in the North Wales Police and North Wales Fire and Rescue Service estate
1092	22.8.2024	Database management License contract
1093	2.9 2024	Contract for response to serious violence strategy
1094	4.9.2024	Contract for eye test vouchers
1085	18.9.2024	Contract for the supply, delivery and installation of lockers
1014	18.9.2024	Contract for Chronicle Software System
1062	23.9.2024	Contract for flooring and repair services

5. CONTRACTS Under £10,000

The following Contracts with a value under £10,000 which the PCC or Chief Constable is party to:

No	Date	Subject Matter
1047	3.7.2024	Sub contractors Deed of Collateral Warranty to Employer re Refurbishment Caernarfon Police Station
1082	17.6.2024	Service Level Agreement for End of Life Body Armour Disposal

6. TENDERS IN PROGRESS

The following procurements are in progress and have a value over £20,000 which the PCC or Chief Constable is party to:

Task Name	Status	Progress
It Health Check	Mini Competition	In Progress
Outsourcing Motorcycle Maintenance & Servicing	RFQ	In Progress
BLC Small lot Items	Tender	In Progress
Asset Condition Survey	Direct Award	Not Started
OPCC Correspondence Management System	Direct Award	In Progress
Shirts and Blouses Contract	Direct Award	In Progress
SSF Case Management System	Scoping	In Progress
FHQ Accessibility Works	Mini Competition	In Progress
Target Turners	RFQ	In Progress
BM Business Systems SMART controls replacement	Scoping	In Progress
Chronical Software Update	Direct Award	In Progress
OHU Case Management System	Direct Award	In Progress
Window Blinds and Accessories	Scoping	In Progress
Pest Control	Scoping	In Progress
BLC Trouser Tender	Tender	In Progress
Legionella Survey Services	Scoping	In Progress
Breath Kit Replacement	Direct Award	In Progress
NetMotion Software Services	Scoping	Not Started
Credit Checks	Direct Award	In Progress
CSD Forensic Exhibit Management (Locard)	Direct Award	In Progress
Generator Planned Service, Maintenance & Minor Works	Tender	In Progress
BLC Waterproof	Tender	In Progress
Redaction Software	Direct Award	In Progress

Internal Audit Tender (SWP)	Tender	In Progress
Mechanical Engineering - Planned Service & Maintenance	Tender	In Progress
Purchase of Breathalysers	RFQ	In Progress
Vehicle Body Repair	Tender	In Progress
Body Worn Video Replacement	Direct Award	Not Started
Microsoft Licences (ESA)	Scoping	Not Started
IDVA Tender	Tender	In Progress
Safety Camera Back Office Solution	Direct Award	In Progress
Holyhead Police New Build Tender	Tender	In Progress

7. SEALED BIDS

None

8. WAIVERS OF STANDING ORDERS

21.08.2024 **Leadership training on Equality and Inclusion**

It should be noted that this report is complete as at 5th November 2024.

Joint Audit Committee

Meeting Date: 4 December 2024

Title:	Joint Governance Board
Author:	Kate Jackson, Chief Finance Officer, OPCC
Purpose of the report:	Update
Level of Assurance	N/A The purpose of Joint Governance Board is to collate information about the assurance arrangements across both organisations, rather than to provide assurance.
The report is provided to JAC for: (tick one)	<input type="checkbox"/> Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Assurance <input checked="" type="checkbox"/> X Information
Summary / Key Points:	<ul style="list-style-type: none"> • On 13 November 2024, the board: <ul style="list-style-type: none"> ○ Considered the final Annual Governance Statement for 2023/24, and noted the action plan ○ Received a briefing on the annual governance and effectiveness review ○ Received an assurance update
Recommendations:	<ul style="list-style-type: none"> • To note the report • For Joint Audit Committee members to be aware that they may attend Joint Governance Board meetings
Risk register impact:	The way risk is managed is integral to good governance and is considered within the Governance Framework
Assurance implications:	<p>The Joint Governance Board is overseeing changes to assurance arrangements following the Governance Review undertaken in 2023/24. These arrangements will change as a result of the forthcoming review.</p> <p>The Joint Governance Board is to oversee any future changes to the Manual of Governance.</p>
Equality Impact:	None
Information exempt from disclosure:	None



1. Background

- 1.1. The Joint Governance Board meets four times each year. A work programme has been prepared to ensure it meets its objectives to record governance arrangements, and to oversee and advise on changes to those arrangements.
- 1.2. Members of the Joint Audit Committee have a standing invitation to attend the meeting.

2. Recommendations

- 2.1. For members of the Joint Audit Committee to note the work of the Joint Governance Board.
- 2.2. For members of the Joint Audit Committee to be aware that they have a standing invitation to attend Joint Governance Board, and that meeting papers and minutes will be provided to them on request. Meetings are held online via Microsoft Teams and future meeting dates are:
 - Thursday 13 February 2025
 - Tuesday 17 June 2025
 - Tuesday 16 September 2025
 - Wednesday 5 November 2025

3. Work of the Joint Governance Board

- 3.1. At the meeting held on 13 November 2024, the following were discussed:
- 3.2. Annual Governance Statement
 - The final Annual Governance Statement for 2023/24 was presented to Board members for their information;
 - Attention was drawn to the Action Plan, which forms part of the Annual Governance Statement. Progress against these actions will be monitored by the Joint Governance Board.
 - The Annual Governance Statement for 2023/24 represented the organisational position on the date it was signed (31 October 2024) and therefore is considered a suitable basis for the first drafts of the Annual Governance Statement for 2025/26.
- 3.3. Annual Governance Efficiency and Effectiveness Review

- The Risk and Business Continuity Coordinator presented a paper to the meeting, which highlighted the findings and recommendations of the recent governance review.
- On the whole, the changes implemented last year are well received and clear, and the Risk and Business Continuity Coordinator has observed that there is generally a better understanding of governance within the force.
- The decision-making matrix is not being used as intended, with all decisions referred to Chief Officers for approval. Better use of this matrix is required.
- There was a common theme that agendas for some meetings are long. The Director of Finance and Resources requested that information be collated to establish which agendas need to be reviewed, and for the Risk and Business Continuity Coordinator to discuss with the appropriate chairs.
- Eight recommendations were identified; these reinforce what came from the in-depth review that took place in 2023/24. These recommendations therefore serve as a reminder of what is available and should be used.
- It was noted that performance is discussed at Force Performance Board and also at Senior Management Board. The Director of Finance and Resources stated that he would be uncomfortable if it were not discussed at Senior Management Board; however, it would be preferable to reduce the level of detail presented to the higher-level meeting. The Head of Business Intelligence agreed with this position, noting that the Senior Management Board needs to concentrate on strategic issues, but that the Chief Constable needs to be fully briefed with respect to the broader performance picture.
- The Head of Business Intelligence stated that the PEEL inspection acknowledged how much work has been done to improve the alignment of priorities and meetings. However, there remains work to do to map out governance at a tactical/operational level.
- The use of Welsh language in internal meetings was discussed. There is an automatic translation and transcription tool available in MStTeams, however, this is not currently good enough to be used as a translation tool within meetings. A recent meeting took place entirely in the Welsh language, which went well.
- The Director of Finance and Resources noted that where regional and national governance is less efficient or effective, this can impact on North Wales Police, but that this is not within our control, and therefore outside the scope of the review.

3.4. Recommendations from Joint Audit Committee are being progressed.

3.5. The Assurance Update report was taken as read.

- The Chief Finance Officer asked whether policy owners have a target date to complete work to review and update policies. It was stated that the dates are open-ended, although the Risk and Business Continuity Coordinator does encourage policy owners to agree a reasonable timeframe to complete the work, bearing in mind that this needs to be done alongside their regular work. It was stated that if a consultation closes more than three months before a revised policy is published, the consultation must be re-done. This requirement means

that those who are updating policies have an incentive to complete the work in a timely manner.

- The Head of Business Intelligence noted that all policies remain in effect until and unless they are superseded, even if their review date has passed.

4. Members of the Joint Audit Committee will be able to access papers, including minutes and actions from the most recent meeting, via the G-drive. The next meeting will take place on Thursday 13 February 2025.

5. IMPLICATIONS

5.1	Equality	The Police and Crime Commissioner and Chief Constable operate with regard to the principles established within the Joint Equality Plan.
5.2	Financial	The way finances are managed is integral to good governance. The financial policies and the monitoring of financial systems and performance are considered within the Governance Framework.
5.3	Legal	It is a legal requirement to publish Annual Governance Statements for the Police and Crime Commissioner and Chief Constable alongside the Statements of Accounts each year. One purpose of the Joint Governance Board is to record the governance activities for both corporations sole (and ensure any concerns are addressed) in order that the Annual Governance Statements can be prepared accurately and in a timely manner.
5.4	Community and Social Value	Environmental policies, outcomes and engagement (and the monitoring of these) are considered within the Governance Framework. This includes the Wellbeing of Future Generations (Wales) Act 2017.
5.5	Risk	The way risk is managed is integral to good governance and is considered within the Governance Framework.
5.6	Police and Crime Plan	The objectives within the Police and Crime Plan are fundamental to both corporations sole. The way this is monitored is considered within the Governance Framework.

Report Author

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