KPMG
AUDIT • TAX • ADVISORY

Inquiries–Those Charged With Governance

Name of Interviewee(s) : Marc Jones (PCC)/ Bill Skelly (CC)

Name of KPMG Interviewer(s) :

Date(s) of Interview :

Required Inquiries

Category	Short Description	Detailed Description	Comments (optional)

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Fraud	REQUIRED Programs and controls to prevent, detect and deter fraud – oversight by those charged with governance	How do those charged with governance exercise effective oversight of management's processes for identifying and responding to the risk of fraud in the entity and internal controls management has established to mitigate these fraud risks?	*The risk of fraud within the organisation is managed through a number of policies which seek to minimise and mitigate fraud. The relevant policies are:* • *Anti Fraud & Corruption* • *Gifts & Hospitality Policy* • *Debt Policy* • *Business Interests & additional employment* • *Notifiable Associations* *The Anti Fraud & Corruption Policy outlines behavior indicators of employees who are susceptible to fraud and corruption and highlights activities for supervisors and managers to be aware.* *The Debt Policy is designed to ensure that employees who become financially burdened are able to be open and honest about their situation and seek support from the organisation. Arrangements can be put in place to ensure that they are not susceptible to approaches from persons wishing to take advantage of their financial position.* *The Anti Corruption Unit triangulates data from procurement, business interests and gifts & hospitality to ensure any risks and contractual issues are identified and dealt with.* *The Notifiable Associations Policy ensures that inappropriate associations are investigated.*

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Fraud	REQUIRED Management's assessment of fraud risks including the nature, extent and frequency of such assessment	What are your views about fraud risks at the entity?	*There is an active programme of the management of fraud risks through meetings, appropriate policies, Internal Audit and the Professional Standards Department (PSD).* *The Vetting Unit identifies potential risks and operates controls to manage these.* *Regular Anti Fraud & Corruption meetings with appropriate representation including Internal Audit provide the management overview of risks, emerging issues, relevant cases , best practice and actions for improvement.* *The Internal Audit annual work programme addresses potential fraudulent activities.* *Proactive anti-fraud and corruption work is undertaken by PSD. The Force operates a confidential "whistle blowing" web page ("Bad Apple") to support the detection and reporting of fraud.* *The organisation has complied with the CIPFA Code of Practice on Managing the risk of Fraud since 2015.* *Internal Audit review compliance with Financial & Procurement Regulations and report any instances of control weaknesses or poor practice to the Joint Independent Audit Committee.*

Category	Short Description	Detailed Description	Comments (optional)
Fraud	REQUIRED Actual, suspected or alleged instances of fraud	Are you aware of or have you identified any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?	*There have been no instances of fraud in the last financial year.*
Significant unusual transaction	REQUIRED SUTs - existence	Has the entity entered into any significant unusual transactions?	*Financial controls over both revenue and capital spending, including procurement procedures and payment system checks and balances, ensure that any significant or unusual items are drawn to the attention of management. No significant unusual transactions have been identified during the year.*