Agenda Item No.

5

**JOINT INDEPENDENT AUDIT COMMITTEE**
**16 APRIL 2019**

| SUBJECT | **INTERNAL AUDIT:**<br>**- PROGRESS REPORT 2018/19**<br>**- DRAFT INTERNAL AUDIT STRATEGY AND PLAN 2019/20** |
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| REPORT BY | **CHIEF FINANCE OFFICER OPCC AND FORCE CHIEF FINANCE OFFICER** |
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| **SUMMARY AND PURPOSE OF REPORT**<br><br>To receive an update on progress following internal audits in 2018/19, and to consider the draft Internal Audit Strategy 2019/20-2021/22 and Internal Audit Plan for 2019/20 | |
| **RECOMMENDATION** | **That:**<br>1. *the Internal Audit Progress Report for 2018/19 at Appendix A be noted;*<br>2. *the draft Internal Audit Strategy* 2019/20-2021/22 *and 2019/20 Internal Audit Plan at Appendix B is considered.* |

## A. SUPPORTING INFORMATION

1. The Financial Management Code of Practice for the Police Service of England & Wales (October 2013), issued by the Home Office, states that the "Police & Crime Commissioner (PCC) and the Chief Constable (CC) are required to maintain effective internal audit of their affairs by the Accounts and Audit (England) Regulations 2011 and the Accounts and Audit(Wales) Regulations 2005. In fulfilling this requirement the PCC and CC should have regard to the Public Sector Internal Audit Standards (PSIAS) issued by CIPFA as the relevant internal audit standards setter for local government and police. In addition, the Statement on the Role of the Head of Internal Audit in Public Service Organisations issued by CIPFA sets out best practice and should be used to assess arrangements to drive up audit quality and governance arrangements".

2. A copy of the Mazars Internal Audit Progress Report for 2018/19 (including follow-up of internal audit recommendations) is attached at Appendix A.

3. A copy of the Mazars draft Internal Audit Strategy 2019/20-2021/22 and the 2019/20 Internal Audit Plan are attached at Appendix B.

4. Brian Welch (Senior Manager) from Mazars will be in attendance to present the report.

## B. FINANCIAL CONSIDERATIONS

The contract with Mazars is based on 140 days per annum at a cost of £44,875.

## C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

The provision of internal audit services is one of the means by which the Police and Crime Commissioner discharges his responsibilities to secure the maintenance of an efficient and effective police force under section 1 (6)(b) of the Police Reform and Social Responsibility Act 2011, and the Chief Finance Officer meets her responsibilities under section 151 of the Local Government Act 1972, section 73 of the Local Government Act 1985 and section 112 of the Local Government Finance Act 1988 for ensuring the proper administration of the Commissioner's financial affairs.

The PCC, in liaison with the CC, is required, under part 2 of the Accounts and Audit (England) Regulations 2011, to make provision for internal audit, as follows:
A relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.

## D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

(including any impact or issues relating to Children and Young People)

There are no specific issues arising from this report.

## E. REVIEW ARRANGEMENTS

The committee will be kept informed of Internal Audit work throughout the year.

## F. RISK MANAGEMENT

Risks are detailed as appropriate within appendices to this report.

## G. PUBLIC ACCESS TO INFORMATION

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.