

NORTHUMBRIA POLICE

JOINT INDEPENDENT AUDIT COMMITTEE

13 MAY 2013

INTERNAL AUDIT STRATEGY STATEMENT 2013 – 2016 AND ANNUAL PLAN 2013/2014**JOINT REPORT OF TREASURER TO THE POLICE AND CRIME COMMISSIONER AND DIRECTOR OF FINANCE TO THE CHIEF CONSTABLE**

1 Purpose of the Report

- 1.1 To inform the Committee of the contents of the Internal Audit Strategy Statement 2013 – 16 and the annual Audit Plan 2013/2014 for the Police and Crime Commissioner and Chief Constable and seek its approval.

2 Background

- 2.1 The terms of reference for Internal Audit are laid down in the Commissioner's Delegations to Officers and Financial and Contract Regulations
- 2.2 The Internal Audit Service is currently provided under a Support Services Agreement with Gateshead Council. Internal Audit are required to objectively examine, evaluate and report upon the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 2.3 The Treasurer and Director of Finance has delegated responsibility to maintain an adequate internal audit of both the Police and Crime Commissioner and Chief Constable's financial affairs as required by Section 151 of the Local Government Act 1972. The revised Accounts and Audit Regulations 2011 also require public bodies to make provision for Internal Audit.
- 2.4 The Chief Internal Auditor manages the Internal Audit Service and is responsible for ensuring resources are sufficient to meet the Audit Plan, which is developed based on a systematic review and evaluation of all aspects of the internal control environment.
- 2.5 The main aim of the Internal Audit Service is to assist all levels of management in delivering the objectives of the Police and Crime Commissioner and Chief Constable through the assessment of exposure to risk and the continuous improvement of the control environment. The risk-based audit plan provides purpose and direction in the achievement of this aim.

3 Internal Audit Strategy Statement 2013 to 2016 and Annual Plan 2013/14

- 3.1 The strategy of the Internal Audit Service is to deliver a risk-based audit plan in a professional and independent manner and to provide the Police and Crime Commissioner and Chief Constable with an opinion on the level of assurance they can place upon their internal control environment, and to make recommendations to improve it. The Strategy document has been updated to reflect the new UK Public Sector Internal Audit Standards which came into effect from 1st April 2013 and have replaced the previous CIPFA Code of Practice for Internal Audit in Local Government.
- 3.2 The Annual Plan is maintained on Galileo, the audit planning and management database and used to assign audits as the year progresses. Quarterly monitoring of progress against the plan will be reported to the Audit Committee with priorities reviewed on an ongoing basis to direct audit resources to the areas of highest risk.
- 3.3 The Audit Strategy Statement 2013 to 16 and the annual Audit Plan for 2013/14 are attached at Appendix A.

4 Equal opportunities implications

- 4.1 It is considered that there are no equal opportunities implications arising from the report.

5 Human rights implications

- 5.1 It is considered that there are no human rights implications arising from the report.

6 Risk Management implications

- 6.1 There are no additional risk management implications arising directly from this report. The audit plan supports the adequate and appropriate use of resources.

7 Financial implications

- 7.1 There are no financial implications directly arising from this report

8 Recommendations

- 8.1 The Committee is asked to:
- agree the Internal Audit Strategy Statement 2013 to 2016 and annual plan of work of the Internal Audit Service for 2013/14.
 - agree to receive quarterly monitoring reports showing progress made against the plan.