

The Role of the JIAC

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Objectives

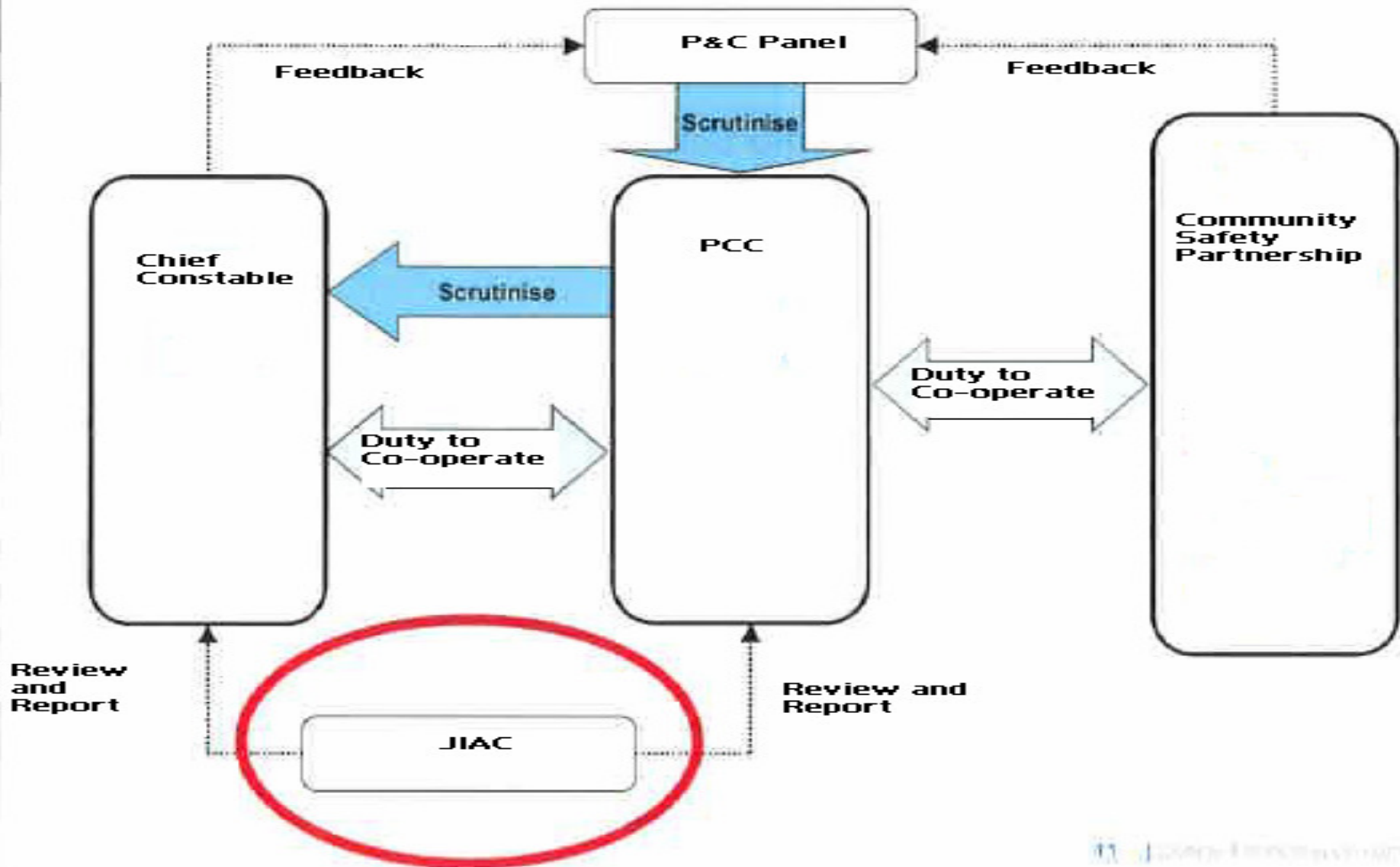
- Background and context
- Role and functions of JIAC
- Governance
- Roles of Internal & External Audit
- Governance challenges
- Further resources

Background & Context

- Police & Social Responsibility Act
- Home Office Financial Management Code of Practice
- Golden thread of localism
- Stage 2 transfers



Relationships



Role of JIAC

- To provide those charged with governance (PCC & CC) independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes.

Role of JIAC

- “Monitor, review and comment”
- Exception of “approving” the assurance framework to produce the Annual Governance Statement (locally agreed)
- Understand the limitations of the Committee’s authority/power
- Consider development of protocols

Core Functions of JIAC

- Be satisfied the AGS properly reflects the risk/control environment and any actions required to improve it.
- Oversee the independence, objectivity, performance and professionalism of Internal Audit
- Monitor arrangements for achieving VFM and managing risks in respect of fraud and corruption.

Core Functions of JIAC

- Consider effectiveness of the risk management and control environment.
- Consider reports and recommendations of external audit and other inspectorates where governance, risk management or control implications
- Review the financial statements, including the external auditors opinion and management's action in response to any issues raised.

Governance

- Scheme of Consent, Financial & Contract Regulations
- Various policies adopted from the former Authority, i.e. Counter Fraud & Corruption
- CFO and Monitoring Officer roles
- Protocols
- Arrangements should be summarised in a Code of Governance and reviewed regularly.

Role of Internal Audit

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. (UKPSIAS)

Role of Internal Audit

- The Accounts and Audit (England) Regulations 2011
- UK PSIAS

Role of Internal Audit

- Annual Plan & Strategy (Risk based)
- Internal Audit Charter
- Key principle of independence
- Internal Audit process
- Recommendations to management
- Annual opinion of the Chief Internal Auditor

Role of Internal Audit

- Other non-statutory roles
- Internal and external assessment of compliance against UKPSIAS
- Review of effectiveness part of the AGS framework

Role of External Audit

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Internal v External Audit

	External audit	Internal audit
Reports to	Those charged with governance and stakeholders who are outside the organisations governance structure.	Those charged with governance and senior management who are within the organisations governance structure.
Objectives	Add credibility and reliability to financial reports from the organisation to its stakeholders by giving opinion on the report	Evaluate and improve the effectiveness of governance, risk management and control processes. This provides those charged with governance and senior management with assurance that helps them fulfil their duties to the organisation and its stakeholders.
Coverage	Financial reports, financial reporting risks.	All categories of risk and their management; including reporting on them.
Responsibility for improvement	None; however there is a duty to report problems.	Improvement is fundamental to the purpose of internal auditing. But it is done by advising, coaching and facilitating in order to not undermine the responsibility of management.

Governance Challenges – What about when things go wrong?

Limited options and none are formal

- Police and Crime Panel
- External Auditor
- IPCC (criminal activity)
- Resignation

Further Resources

- Updated CIPFA guidance on Audit Committees
- CIPFA guidance on Police governance arrangements
- PAG (Police Audit Group)
- Consider local network of peers

A large white question mark is centered on a blue background. The background is a photograph of a vast, calm ocean under a clear blue sky with light, wispy clouds. The horizon line is visible in the distance, and the water's surface shows gentle ripples. The overall mood is serene and contemplative.

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