

NORTHUMBRIA POLICE

JOINT INDEPENDENT AUDIT COMMITTEE:

23 FEBRUARY 2015

INTERNAL AUDIT STRATEGY STATEMENT 2015 – 2018 AND DRAFT ANNUAL PLAN 2015/2016

REPORT OF CHIEF INTERNAL AUDITOR

1 Purpose of the Report

- 1.1 To inform the Committee of the contents of the Internal Audit Strategy Statement 2015/16 – 2017/18 and the draft annual Audit Plan 2015/2016 for the Police and Crime Commissioner and Chief Constable and seek its input and 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 to be provided under a written 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 joint 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 2015/16 – 2017/18 and Draft Annual Plan 2015/16

- 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
- 3.2 The role of the Internal Audit Service, as outlined in the Audit Charter, is to assist managers in the effective discharge of this responsibility and in so doing, deliver the objectives of the Police and Crime Commissioner, Chief Constable and any associated bodies. It is the responsibility of management to install and maintain effective internal control systems.
- 3.3 Quarterly monitoring of progress against the plan will be reported to the Joint Independent Audit Committee with priorities reviewed on an ongoing basis to direct audit resources to the areas of highest risk.
- 3.4 The Audit Strategy Statement 2015/16 – 2017/18 and the draft annual Audit Plan for 2015/16 are attached at Appendix A. Under UK Public Sector Internal Audit Standards the Joint Independent Audit Committee should review the proposed plan prior to its approval.
- 3.5 The Strategy document has been prepared in accordance with the UK Public Sector Internal Audit Standards.

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 2015/16 – 2017/18.

- review the Chief Internal Auditor's proposed annual plan of work for the Internal Audit Service for 2015/16.
- agree to receive quarterly monitoring reports showing progress made against the plan.