



OFFICE FOR THE POLICE AND CRIME
COMMISSIONER FOR SURREY AND SURREY
POLICE FORCE

Internal Audit Strategy 2017-2020

Presented at the audit committee meeting of:

21 March 2017

This report is solely for the use of the persons to whom it is addressed.
To the fullest extent permitted by law, RSM Risk Assurance Services LLP
will accept no responsibility or liability in respect of this report to any other party.






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1 INTRODUCTION

Our approach to developing your internal audit plan is based on analysing your corporate objectives, risk profile and assurance framework as well as other factors affecting the Office of the Police and Crime Commissioner for Surrey and Surrey Police Force in the year ahead, including changes within the sector.



Background:
Surrey Police
Force/OPCC is
continuing to
work closely with
Sussex Police to
develop shared
services



The Vision of Surrey
Police Force is:

*To make Surrey the
safest it can be*



The six priorities as set out in the
Police and Crime Plan for Surrey are:

1. Cutting Crime and keeping Surrey Safe
2. Supporting Victims
3. Tackling Rural Crime
4. Making our Town Centres Safe
5. Tackling the Threat of Terrorism
6. Making Every Pound Count

2 DEVELOPING THE INTERNAL AUDIT STRATEGY

We use your objectives as the starting point in the development of your internal audit plan.

2.1 Risk management processes

We have evaluated your risk management processes and consider that we can place reliance on your risk registers / assurance framework to inform the internal audit strategy. We have used various sources of information (see Figure A below) and discussed priorities for internal audit coverage with the following people:

- Senior management representatives of Surrey Police and Surrey PCC
- Force Chief Officer Group
- Audit committee

Based on our understanding of the organisation, the information provided to us by the stakeholders above, and the regulatory requirements, we have developed an annual internal plan for the coming year and a high level strategic plan (**see appendix A and B for full details**).

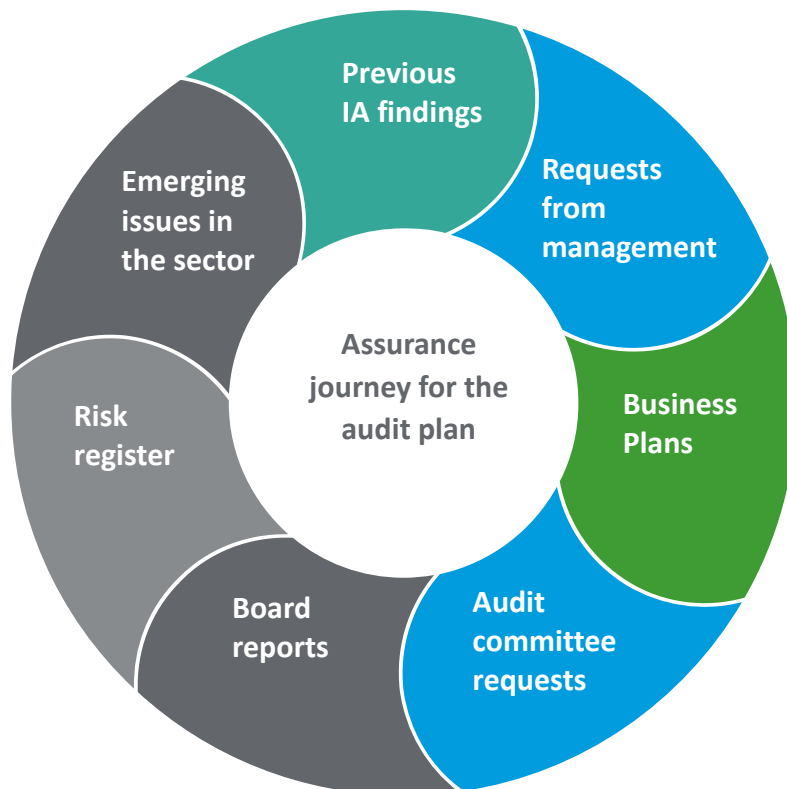


Figure A: Sources considered when developing the internal audit strategy

2.2 How the plan links to your strategic objectives

Each of the reviews that we propose to undertake is detailed in the internal audit plan and strategy within appendices A and B. In the table below we bring to your attention particular key audit areas and discuss the rationale for their inclusion or exclusion within the strategy.

Area	Reason for inclusion or exclusion in the audit plan/strategy	Link to strategic objective
Governance – Code of Ethics (Sector risk)	It is important for the Force to be able to demonstrate a commitment to integrity. We are therefore suggesting that our Governance work will focus on the Code of Ethics, including how staff are made aware of this and how compliance with this is managed and monitored.	Sector concern
Data Protection (Emerging risk)	There is potential significant change in the requirements of Data Protection as result of the 2016 Major Overhaul of EU Data Protection Laws. Further guidance is awaited on the detail of the changes and required impacts. Coverage could include a preparedness review, gap analysis or compliance with any changes to policies and procedures.	Cutting Crime and Keeping Surrey Safe
Collaboration strategy (Joint risk 432)	<p>This review will consider how the collaboration strategy has been developed. We will also consider how progress against this is monitored and reported and whether anticipated benefits have been realised (and how assurance is provided to the Collaboration Board in this area).</p> <p>Where there has been slippage, we will consider what is being done to remedy this. We will also consider the work of the Collaboration Board.</p>	Multiple objectives
Proceeds of Crime Act (POCA) (P+CP and Management concern)	<p>Management have noted that the Proceeds of Crime Act is being used less than it has been in prior years and are therefore concerned that opportunities to apply the act may not always be acted upon.</p> <p>This review is being carried out to provide assurance that the Force complies with the requirements of the POCA and that all items seized are held in a secure manner until release. We will also complete financial analysis to look at income and costs for the relevant activities for the past three years, as well as considering how it is decided when to apply the Proceeds of Crime Act and whether all opportunities to do so are identified and acted upon.</p>	Making Every Pound Count

Area	Reason for inclusion or exclusion in the audit plan/strategy	Link to strategic objective
<i>Tasers (sector risk)</i>	The issue of Tasers to officers is increasing within the Force. There have also been some high profile national issues reported in the press with the use of Tasers and RSM have also identified weaknesses across our Police client base. Therefore we are proposing a review to focus on how officers are trained to use Tasers, training records, how the issue and storage of Tasers is controlled and how the whereabouts of Tasers is recorded and maintained. We will also consider the disposal of Tasers.	Multiple objectives
Evidential property (management concern)	<p>From our discussions with management, we were advised of some concerns that property taken possession of by the Force may sometimes be retained for longer than necessary as relevant staff are not always clear on the storage and disposal processes.</p> <p>Where the Force takes possession of property, either seized during an investigation or where it has been reported as lost and found, it has a responsibility to ensure that all property is audited, retained and disposed of correctly through the appropriate property database. We will therefore review this process, with particular focus on the disposal of property.</p>	Making Every Pound Count

As well as assignments designed to provide assurance or advisory input around specific risks, the strategy also includes: a contingency allocation, time for tracking the implementation of actions and an audit management allocation. Full details of these can be found in appendices A and B.

2.3 Working with other assurance providers

The audit committee is reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not, seek to cover all risks and processes within the organisation.

We will however continue to work closely with other assurance providers, such as external audit and HMIC, to ensure that duplication is minimised and a suitable breadth of assurance obtained.

Where collaborated areas have been included within the plan, these will be subject to review following a discussion between Audit Committee Chairs scheduled for later in the month where responsibility for internal audit of these areas will be considered. This will ensure that adequate assurance can be taken with regards to collaborated areas without unnecessary duplication of audit activity. To date, we have discussed with the internal auditors to Sussex Police the areas of proposed coverage within their plan, however we have not yet received any feedback from the Audit Committee Chairs' meeting.

We will continue to liaise with the Sussex Police Internal Audit providers throughout the 2017/18 as required.

3 YOUR INTERNAL AUDIT SERVICE

Your internal audit service is provided by RSM Risk Assurance Services LLP. The team will be led by Daniel Harris, Head of Internal Audit, supported by Lorna Raynes as your client manager.

3.1 Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Public Sector Internal Audit Standards (PSIAS).

Under PSIAS, internal audit services are required to have an external quality assessment every five years. Our risk assurance service line commissioned an external independent review of our internal audit services in 2016 to provide assurance whether our approach meets the requirements of the International Professional Practices Framework (IPPF) published by the Global Institute of Internal Auditors (IIA) on which PSIAS is based.

The external review concluded that “there is a robust approach to the annual and assignment planning processes and the documentation reviewed was thorough in both terms of reports provided to audit committee and the supporting working papers.” RSM was found to have an excellent level of conformance with the IIA’s professional standards.

The risk assurance service line has in place a quality assurance and improvement programme to ensure continuous improvement of our internal audit services. Resulting from the programme, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you.

3.2 Conflicts of interest

Surrey Police have a subscription for tax advice for the RSM Authoritas service which was utilised in 2016/17. We (RSM) do not consider that any of the above work would lead us to declare any conflict of interests as all of this work was (or will be) carried out under separate engagement letters, teams and engagement partners.

4 AUDIT COMMITTEE REQUIREMENTS

In approving the internal audit strategy, the committee is asked to consider the following:

- Is the audit committee satisfied that sufficient assurances are being received within our annual plan (as set out at appendix A) to monitor the organisation's risk profile effectively?
- Does the strategy for internal audit (as set out at appendix B) cover the organisation's key risks as they are recognised by the audit committee?
- Are the areas selected for coverage this coming year appropriate?

It may be necessary to update our plan in year, should your risk profile change and different risks emerge that could benefit from internal audit input. We will ensure that management and the audit committee approve such any amendments to this plan.

APPENDIX A: INTERNAL AUDIT PLAN 2017/18

Audit	Objective of the review	Fee per audit	Proposed timing	Proposed JAC
Risk Based Assurance				
IT reviews (Force risk 458)	To be confirmed for 2017/18. The responsibility for internal audit of this area is to be discussed at the meeting between Sussex and Surrey Audit Committee Chairs in February 2017. Following this we will reflect these responsibilities in our plan where necessary.	tbc	January 2018	March 2018
Governance – Code of Ethics (Sector risk)	It is important for the Force to be able to demonstrate a commitment to integrity. We are therefore suggesting that our Governance work will focus on the Code of Ethics, including how staff are made aware of this and how compliance with this is managed and monitored.	£3,676	June 2017	September 2017
Data Protection (Sector risk)	Potential significant change in the requirements of Data Protection as result of the 2016 Major Overhaul of EU Data Protection Laws. Further guidance is awaited on the detail of the changes and required impacts. Coverage could include a preparedness review, gap analysis or compliance with any changes to policies and procedures.	£5,046	December 2017	March 2018
Collaboration strategy (Joint risk 432)	This review will consider how the collaboration strategy has been developed. We will also consider how progress against this is monitored and reported and whether anticipated benefits have been realised (and how assurance is provided to the Board in this area). Where there has been slippage, we will consider what is being done to remedy this. We will also consider the work of the Collaboration Board.	£5,352	August 2017	December 2017
Proceeds of Crime Act (P+CP and Management concern)	Review to ensure that the Force complies with the requirements of the Proceeds of Crime Act and that all items seized are held in a secure manner until release. We will also complete financial analysis to look at income and costs for the relevant activities for the past three years, as well as considering how it is decided when to apply the Proceeds of Crime Act and whether all opportunities to do so are identified and acted upon.	£2,754	September 2017	December 2017

Audit	Objective of the review	Fee per audit	Proposed timing	Proposed JAC
Tasers (sector risk)	The issue of Tasers to officers is increasing within the Force. There have also been some high profile issues with the use of Tasers. Therefore we are proposing a review to focus on how officers are trained to use Tasers, training records, how the issue and storage of Tasers is controlled and how the whereabouts of Tasers is recorded and maintained. We will also consider the disposal of Tasers.	£2,250	May 2017	July 2017
Evidential property (management concern)	Where the Force takes possession of property, either that is seized during an investigation or where it has been reported as lost and found, it has a responsibility to ensure that all property is audited, retained and disposed of correctly through the appropriate property database. We will therefore review this process, with particular focus on the disposal of property.	£1,770	July 2017	September 2017
Core Assurance				
Procurement	As both the PCC and the CC may be undertaking procurement, this review will consider the processes undertaken by both, and how value for money is achieved. The review will also consider the governance arrangements in respect of the procurement collaboration with Sussex Police. The responsibility for internal audit of this area is to be discussed at the meeting between Sussex and Surrey Audit Committee Chairs in February. Following this we will reflect these responsibilities in our plan where necessary.	£4,015	May 2017	July 2017
Commissioning - Grants	This will consider how the OPCC can demonstrate that commissioning has achieved the intended outcomes and purpose. This will build upon our work completed in 2015/16.	£3,282	August 2017	December 2017
Business Interests	This review will assess the effectiveness of and compliance with Surrey Police's Business Interests procedures.	£1,770	July 2017	September 2017
Small assets/uniform	This review will focus on the procedures around leavers and how the Force ensures all items are returned to it by officers, including uniform, warrant cards, mobile devices and other equipment.	£1,770	June 2017	September 2017

Audit	Objective of the review	Fee per audit	Proposed timing	Proposed JAC
Mandatory Training	We will consider how mandatory training is determined and how the Force and OPCC ensure that all officers and staff have received and remain up to date with mandatory training. This will include consideration of how records are maintained of training provided and the reporting of compliance, or otherwise, with mandatory training requirements.	£2,754	May 2017	July 2017
Estates Strategy and Disposals	The OPCC and Force are currently looking to rationalise its estate. We therefore have included provision for a review of the Estates Strategy, with a specific focus also on the process for the disposal of property and the methods used to ensure VFM is achieved.	£4,393	October 2017	December 2017
Vehicle Maintenance	A key asset group for the Force will be vehicles. Our review will consider how the Force manages and updates vehicle service records, and how it ensures that these are all maintained in line with the manufacturers' specifications / guidance.	£2,463	June 2017	September 2017
	<p>The responsibility for internal audit of this area is to be discussed at the meeting between Sussex and Surrey Audit Committee Chairs in February. Following this we will reflect these responsibilities in our plan where necessary.</p>			
Financial Controls	<p>This review will consider the following areas:</p> <ul style="list-style-type: none"> • Financial Reporting. • Creditor Payments. • Cash Receipting and Treasury Management. • Income and Debtors. • Procurement. • Payroll. <p>For 2017/18 our audit will be undertaken in Q3 to give assurance on the controls and processes in place on the Surrey finance system. Following this, when Surrey moves to the shared system with Sussex further assurance may be required.</p> <p>The responsibility for internal audit of this area is to be discussed at the meeting between Sussex and Surrey Audit Committee Chairs in February. Following this we will reflect these responsibilities in our plan where necessary.</p>	£6,937	November 2017	March 2018
Other internal audit activity				
Contingency	To allow additional reviews to be undertaken in agreement with the Audit Committee or management based in changes in risk profile or assurance needs as they arise during the year.	£tbc	tbc	tbc

Audit	Objective of the review	Fee per audit	Proposed timing	Proposed JAC
Follow up	To meet internal auditing standards, and to provide assurance on action taken to address recommendations previously agreed by management.	£2,148	June & November 2017	September 2017 & March 2018
Management	This will include: <ul style="list-style-type: none"> • Annual planning • Preparation for, and attendance at, Audit Committee • Regular liaison and progress updates • Liaison with external audit and other assurance providers • Preparation of the annual opinions 	£13,491	Throughout the year	N/A

APPENDIX B: INTERNAL AUDIT STRATEGY 2017 – 2020

Proposed area for coverage	Internal audit coverage	2017/18	2018/19	2019/20
Risk based assurance				
IT reviews (Force risk 458)	To be confirmed for 2017/18	✓	✓	✓
Staff experience	This will look at how the staff survey was completed, the analysis of results and how responses were produced, implemented and followed up.			✓
Capital expenditure (Joint risk 222)	This review will consider how capital expenditure is budgeted, planned and monitored in order that funds are utilised and not carried forward indefinitely.			✓
Strategic planning and budgeting (Joint risk 431)	The organisation has recently restructured its finance team, and financial information to inform budgeting and other planning processes is now provided by the collaborated team. We therefore will review the budgeting and other strategic planning processes.			✓
Savings plan (Force risk 455)	This review will consider how savings plans are developed and approved. We will also consider how these are monitored throughout the year, and how any revisions are approved and communicated to relevant parties.			✓
Victims Code	We will review the procedures put in place by the PCC to ensure that incidents are being identified and actions to support the victim put in place.			✓
Governance – Code of Ethics (Sector risk)	It is important for the Force to be able to demonstrate a commitment to integrity. We are therefore suggesting that our Governance work will focus on the Code of Ethics, including how staff are made aware of this and how compliance with this is managed and monitored.	✓ <i>(code of ethics)</i>	✓	✓
Data Protection (Sector risk)	Potential significant change in the requirements of Data Protection within our clients as result of the 2016 Major Overhaul of EU Data Protection Laws. This will impact on the requirements for both staff and tenants. Further guidance is awaited on the detail of the changes and required impacts. Coverage could include a preparedness review or compliance with any changes to policies and procedures in future years.	✓		

Proposed area for coverage	Internal audit coverage	2017/18	2018/19	2019/20
Collaboration strategy (Joint risk 432)	This review will consider how the collaboration strategy has been developed. We will also consider how progress against this is monitored and reported and whether anticipated benefits have been realised. Where there has been slippage, we will consider what is being done to remedy this.	✓		
Proceeds of Crime Act (P+CP and Management Concern)	Review to ensure that the Force complies with the requirements of the Proceeds of Crime Act and that all items seized are held in a secure manner until release.	✓		
Tasers (sector risk)	The issue of Tasers to officers is increasing within the Force. There have also been some high profile issues with the use of Tasers. Therefore we are proposing a review to focus on how officers are trained to use Tasers, training records, how the issue and storage of Tasers is controlled and how the whereabouts of Tasers is recorded and maintained. We will also consider the disposal of Tasers.	✓		
Evidential property (management concern)	Where the Force takes possession of property, either that is seized during an investigation or where it has been reported as lost and found, it has a responsibility to ensure that all property is audited, retained and disposed of correctly through the appropriate property database. We will therefore review this process, with particular focus on the disposal of property.	✓		
Core Assurance				
Vetting processes	Vetting is a shared service between Sussex and Surrey which Surrey lead on. We will therefore review the processes to ensure that all staff and contractors are subject to vetting to the appropriate level, and consider how the Force ensures that this is completed promptly.			✓
Risk Management	This review will focus on processes in place to manage collaborative risks.		✓	✓
Legal / Insurance	This review will look at the channels of communication between the legal and insurance departments in order to ascertain when it is decided to make a claim, or when to take legal action.		✓	
Policies and procedures	We will review the policies and procedures in place for both the Force and the OPCC to ensure these cover all expected topics, and are up to date and have been subject to appropriate approval.			✓

Proposed area for coverage	Internal audit coverage	2017/18	2018/19	2019/20
Procurement	As both the PCC and the CC may be undertaking procurement, this review will consider the processes undertaken by both, and how value for money is achieved. The review will also consider the governance arrangements in respect of the procurement collaboration with Sussex Police.	✓		
Estates Management	This review will consider the processes undertaken to manage the estate, and how value for money is achieved.			✓
Gifts and Hospitality	This review will assess the effectiveness of the implementation of the recommendations from the internal review and compliance with the revised governance procedure on gifts and hospitality.		✓	
Business Interests	This review will assess the effectiveness of and compliance with Surrey Police's Business Interests procedures.	✓		
Commissioning	This will consider how the OPCC can demonstrate that commissioning has achieved the intended outcomes and purpose.	✓		
Integrated Offender Management	Our review will review the design of, and compliance with, the IOM framework.			
Property Seizures	We will review the system in place to record property seizures, and how consistently this is used by officers.		✓	
Complaints	This review will focus on the process for capturing, investigating and reporting complaints.			✓
Uniform	Focus of these reviews should be around how Forces are managing the stocks and stores of uniform. Are internal audits undertaken to identify missing items, and what actions are taken to manage these discrepancies. Do they have a sufficient process surrounding the returning of uniform from members leaving the Force as well as the issuing of uniform to new starters. How does the Force know what items of uniform each officer has in their possession, based upon their role and responsibilities.	✓		

Proposed area for coverage	Internal audit coverage	2017/18	2018/19	2019/20
Mandatory Training	<p>It is important to have dedicated procedures for making sure that officers and staff remain “in ticket”, but also what are the processes for identifying who needs to undertake mandatory training, i.e. is there a clear process of who needs to do what as opposed to a ‘one size fits all approach’</p> <p>There is an obvious time and cost associated to training and therefore ensuring only the required level of training is completed could result in an efficiency saving.</p>	✓		
Estates Strategy and Disposals	<p>The OPCC and Force are currently looking to rationalise its estate. We therefore have included provision for a review of the Estates Strategy, with a specific focus also on the process for the disposal of property and the methods used to ensure VFM is achieved.</p>	✓		
Vehicle Maintenance	<p>A key asset group for the Force will be vehicles. Our review will consider how the Force manages and updates vehicle service records, and how it ensures that these are all maintained in line with the manufacturers’ specifications / guidance.</p> <p>The responsibility for internal audit of this area is to be discussed at the meeting between Sussex and Surrey Audit Committee Chairs in February. Following this we will reflect these responsibilities in our plan where necessary.</p>	✓		
Data Assurance				
Data Quality	<p>This review could focus on reporting of any area, but common areas for review are complaints or crime recording. We would select a sample of indicators and agree back to supporting evidence to ensure data reporting is accurate.</p>		✓	
Crime recording	<p>Our review will consider the effectiveness of internal checks and compliance with the National Decision Model and national and local policy and procedures.</p>			✓
Controls Compliance				

Proposed area for coverage	Internal audit coverage	2017/18	2018/19	2019/20
Financial Controls (Force risk 461)	<p>This review will consider the following areas:</p> <ul style="list-style-type: none"> • Financial Reporting. • Creditor Payments. • Cash Receipting and Treasury Management. • Income and Debtors. • Procurement. • Payroll. 	✓	✓	✓
Other Internal Audit Activity				
Follow up	To meet internal auditing standards, and to provide assurance on action taken to address recommendations previously agreed by management.	✓	✓	✓
Management	<p>This will include:</p> <p>Annual planning</p> <p>Preparation for, and attendance at, Audit Committee</p> <p>Administration of our actions tracking database – 4Action</p> <p>Regular liaison and progress updates</p> <p>Liaison with external audit and other assurance providers</p> <p>Preparation of the annual opinion</p>	✓	✓	✓

APPENDIX C: INTERNAL AUDIT CHARTER

Need for the charter

This charter establishes the purpose, authority and responsibilities for the internal audit service for Surrey Police Force and Office of the Police and Crime Commissioner for Surrey. The establishment of a charter is a requirement of the Public Sector Internal Audit Standards (PSIAS) and approval of the charter is the responsibility of the audit committee.

The internal audit service is provided by RSM Risk Assurance Services LLP (“RSM”).

We plan and perform our internal audit work with a view to reviewing and evaluating the risk management, control and governance arrangements that the organisation has in place, focusing in particular on how these arrangements help you to achieve its objectives. An overview of our client care standards are included at Appendix D of the internal audit strategy plan for 2017 – 2020.

The PSIAS encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) as follows:

- Core Principles for the Professional Practice of Internal Auditing
- Definition of internal auditing
- Code of Ethics; and
- The Standards

Mission of internal audit

As set out in the PSIAS, the mission articulates what internal audit aspires to accomplish within an organisation. Its place in the IPPF is deliberate, demonstrating how practitioners should leverage the entire framework to facilitate their ability to achieve the mission.

“To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight”.

Independence and ethics

To provide for the independence of Internal Audit, its personnel report directly to the Daniel Harris (acting as your head of internal audit). The independence of RSM is assured by the internal audit service reporting to the Joint Audit Committee, with further reporting lines to the OPCC and Chief Constable.

The head of internal audit has unrestricted access to the chair of audit committee to whom all significant concerns relating to the adequacy and effectiveness of risk management activities, internal control and governance are reported.

Conflicts of interest may arise where RSM provides services other than internal audit to for Surrey Police Force and Office of the Police and Crime Commissioner for Surrey. Steps will be taken to avoid or manage transparently and openly such conflicts of interest so that there is no real or perceived threat or impairment to independence in providing the internal audit service. If a potential conflict arises through the provision of other services, disclosure will be reported to the audit committee. The nature of the disclosure will depend upon the potential impairment and it is important that our role does not appear to be compromised in reporting the matter to the audit committee. Equally we

do not want the organisation to be deprived of wider RSM expertise and will therefore raise awareness without compromising our independence.

Responsibilities

In providing your outsourced internal audit service, RSM has a responsibility to:

- Develop a flexible and risk based internal audit strategy with more detailed annual audit plans. The plan will be submitted to the audit committee for review and approval each year before work commences on delivery of that plan.
- Implement the internal audit plan as approved, including any additional tasks requested by management and the audit committee.
- Ensure the internal audit team consists of professional audit staff with sufficient knowledge, skills, and experience.
- Establish a quality assurance and improvement program to ensure the quality and effective operation of internal audit activities.
- Perform advisory activities where appropriate, beyond internal audit's assurance services, to assist management in meeting its objectives.
- Bring a systematic disciplined approach to evaluate and report on the effectiveness of risk management, internal control and governance processes.
- Highlight control weaknesses and required associated improvements together with corrective action recommended to management based on an acceptable and practicable timeframe.
- Undertake follow up reviews to ensure management has implemented agreed internal control improvements within specified and agreed timeframes.
- Report regularly to the audit committee to demonstrate the performance of the internal audit service.

Authority

The internal audit team is authorised to:

- Have unrestricted access to all functions, records, property and personnel which it considers necessary to fulfil its function.
- Have full and free access to the audit committee.
- Allocate resources, set timeframes, define review areas, develop scopes of work and apply techniques to accomplish the overall internal audit objectives.
- Obtain the required assistance from personnel within the organisation where audits will be performed, including other specialised services from within or outside the organisation.

The head of internal audit and internal audit staff are not authorised to:

- Perform any operational duties associated with the organisation.
- Initiate or approve accounting transactions on behalf of the organisation.
- Direct the activities of any employee not employed by RSM unless specifically seconded to internal audit.

Reporting

An assignment report will be issued following each internal audit assignment. The report will be issued in draft for comment by management, and then issued as a final report to management, with the executive summary being provided to the audit committee. The final report will contain an action plan agreed with management to address any weaknesses identified by internal audit.

The internal audit service will issue progress reports to the audit committee and management summarising outcomes of audit activities, including follow up reviews.

As your internal audit provider, the assignment opinions that RSM provides the organisation during the year are part of the framework of assurances that assist the board in taking decisions and managing its risks.

As the provider of the internal audit service we are required to provide an annual opinion on the adequacy and effectiveness of the organisation's governance, risk management and control arrangements. In giving our opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the board is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes. The annual opinion will be provided to the organisation by RSM Risk Assurance Services LLP at the financial year end. The results of internal audit reviews, and the annual opinion, should be used by management and the Board to inform the organisation's annual governance statement.

Data protection

Internal audit files need to include sufficient, reliable, relevant and useful evidence in order to support our findings and conclusions. Personal data is not shared with unauthorised persons unless there is a valid and lawful requirement to do so. We are authorised as providers of internal audit services to our clients (through the firm's terms of business and our engagement letter) to have access to all necessary documentation from our clients needed to carry out our duties.

Fraud

The audit committee recognises that management is responsible for controls to reasonably prevent and detect fraud. Furthermore, the audit committee recognises that internal audit is not responsible for identifying fraud; however internal audit will be aware of the risk of fraud when planning and undertaking any assignments.

Approval of the internal audit charter


By approving this document, the internal audit strategy, the audit committee is also approving the internal audit charter.

APPENDIX D: OUR CLIENT CARE STANDARDS





- Discussions with senior staff at the client take place to confirm the scope six weeks before the agreed audit start date
- Key information such as: the draft assignment planning sheet are issued by RSM to the key auditee four weeks before the agreed start date
- The lead auditor to contact the client to confirm logistical arrangements two weeks before the agreed start date.
- Fieldwork takes place on agreed dates with key issues flagged up immediately.
- A debrief meeting will be held with audit sponsor at the end of fieldwork or within a reasonable time frame.
- Two weeks after a debrief meeting a draft report will be issued by RSM to the agreed distribution list.
- Management responses to the draft report should be submitted to RSM.
- Within three days of receipt of client responses the final report will be issued by RSM to the assignment sponsor and any other agreed recipients of the report.

APPENDIX E: LEVELS OF ASSURANCE GIVEN TO DATE

The table below informs of the key audits carried in our audit plan to date, giving an overview of assurances issued. This table will help to provide context when considering the key risk areas we wish to include in this year's plan which are detailed in section 2.4 below.

Assignment	Opinion issued		
	2014/15	2015/16	2016/17
Forensic Medical Examiners			
Governance - Stage Two Transfer			
Drug and Alcohol Abuse Team (DAAT)	Advisory		
<i>Follow Up</i>	Little progress	Little progress	<i>Little progress</i>
Procurement	Advisory		
Crime Recording			
<i>Financial Controls</i>			
Project Management			
Proceeds of Crime Seizures			
Risk Management			

Assignment	Opinion issued	
	2014/15	2015/16 2016/17
New Desktop project review		
BT Datacentre Project Initiation Review		
Vehicle Recovery Unit		Advisory
Property Seizures		
Legal and Insurance departments review		Advisory
Integrated Offender Management		
Governance of Collaborations		
Data Quality Review		
Commissioning of Grant Funding		
<i>Managing Victims of Crime</i>		
Governance		
Crime recording		

Assignment	Opinion issued		
	2014/15	2015/16	2016/17
Complaints			
Policies and Procedures			
Cash Handling			Advisory
<i>Savings Plan</i>			
<i>Strategic Planning And Budgeting</i>			

FOR FURTHER INFORMATION CONTACT

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