



Dorset Police and Office of the Police and Crime Commissioner  
Devon & Cornwall Police and Office of the Police and Crime Commissioner  
Proposed 2019-20 Internal Audit Plan  
and Internal Audit Charter

Internal Audit ■ Risk ■ Special Investigations ■ Consultancy

# The Internal Audit Plan: Summary

The internal audit plan represents a summary of the proposed audit coverage that the internal audit team will deliver throughout the 2019/20 financial year.

Delivery of an internal audit programme of work that provides sufficient and appropriate coverage, will enable us to provide a well-informed and comprehensive year-end annual internal audit opinion.



## Introduction and Objective of the Internal Audit Plan

Internal audit provides an independent and objective opinion on the risk management, governance, and control environment at Dorset Police and Office of the Police and Crime Commissioner (OPCC) and Devon & Cornwall Police and OPCC by evaluating its effectiveness.

Prior to the start of each financial year, SWAP, in conjunction with senior management, put together a proposed plan of audit work. The objective of our planning process and subsequent plan is to put us in a position to provide a well-informed and comprehensive annual audit opinion, based on sufficient and appropriate coverage of key Force and OPCC objectives, associated risks, and risk management processes.

The outcomes of each of the audits in our planned programme of work, will provide senior management and Members of the Independent Audit Committee (IAC) with assurance that the current risks faced by the Forces and OPCCs in these areas are adequately controlled and managed.

It should be noted that internal audit is only one source of assurance, and the outcomes of internal audit reviews should be considered alongside other sources, as part of the 'three lines of defence' assurance model. Key findings from our internal audit work should also be considered in conjunction with completion of the respective Annual Governance Statements.

**It is the responsibility of the Strategic Alliance's Executive Boards, four Chief Finance Officers and the Independent Audit Committee, to determine that the audit coverage contained within the proposed audit plan is sufficient and appropriate in providing independent assurance against the key risks faced by the organisation.**

When reviewing the proposed internal audit plan (as set out in Appendix 1), key questions to consider include:

- Are the areas selected for coverage this coming year appropriate?
- Does the internal audit plan cover the Alliance's key risks as they are recognised by the Executives and Independent Audit Committee?
- Is sufficient assurance being received within our annual plan to monitor the Alliance's risk profile effectively?

# The Internal Audit Plan: Approach

To develop an appropriate risk-based audit plan, SWAP have consulted with senior management, as well as reviewing key documentation, in order to obtain an understanding of the Alliance's strategies, key business objectives, associated risks, and risk management processes.



## Approach to Internal Audit Planning 2019/20

The factors considered in putting together the 2019/20 internal audit plan have been set out below:



We will regularly re-visit and adjust our programme of audit work to ensure that it matches the changing risk profile of the Alliance, and remains flexible to respond to new and emerging risks as and when they are identified.

# The Internal Audit Plan: Risk Assessment

A documented risk assessment prior to developing an internal audit plan, ensures that sufficient and appropriate areas are identified for consideration.

As above, it is the responsibility of the Alliance Executive Teams, and the Independent Audit Committee to ensure that, following our risk assessment, the proposed plan contains sufficient and appropriate coverage.



## Internal Audit Annual Risk Assessment

Our 2019/20 internal audit programme of work is based on a documented risk assessment, which SWAP will revisit regularly, but at least annually. The input of senior management as well as review of the risk registers across the Alliance will be considered in this process. Below we have set out a summary of the outcomes of the risk assessment for Dorset Police and OPCC and Devon & Cornwall Police and OPCC.



# The Internal Audit Plan: Coverage

Following our SWAP Risk Assessment above, we have set out how the proposed 19/20 plan presented in Appendix 1 provides coverage of the key components set out in the Force Management Statement (FMS).

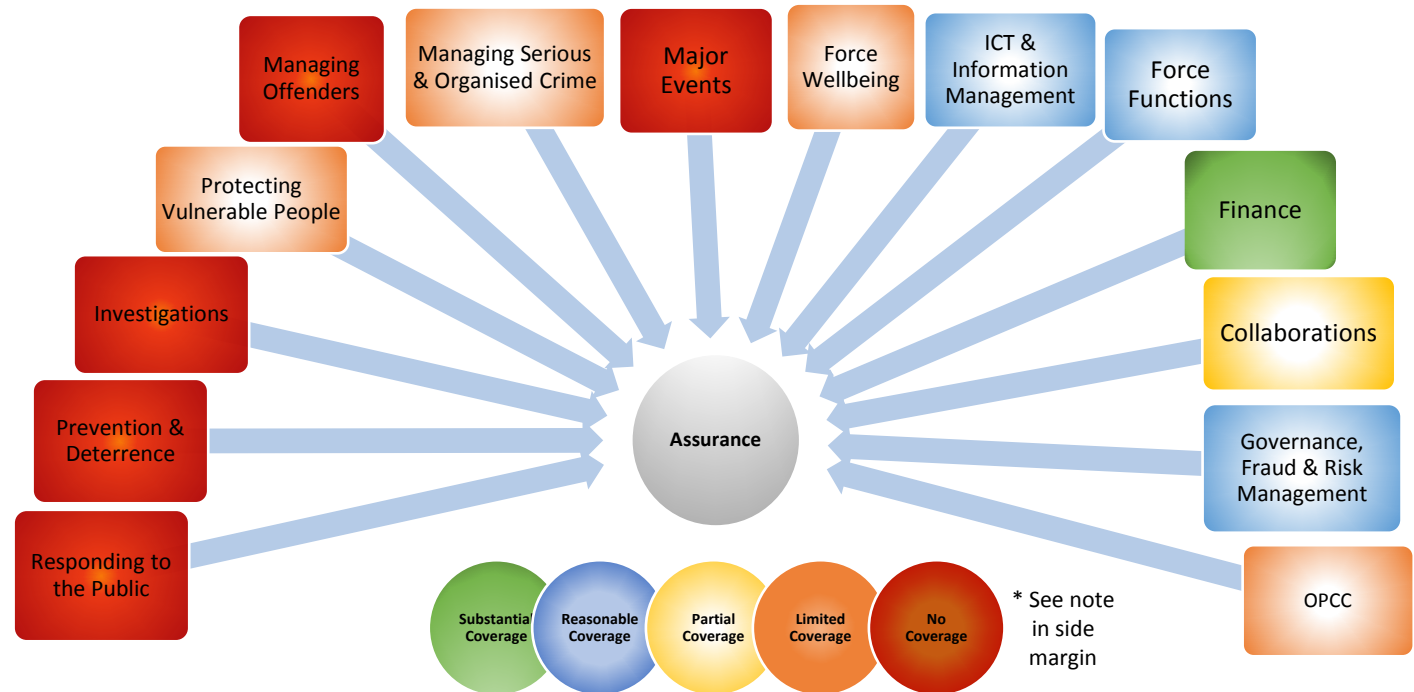
We have taken the approach of aligning our Audit universe with the Force Management Statements from HMICFRS as these will be used to inform their risk-based testing as part of the new approach to PEEL Reviews.

Internal audit is only one source of assurance; therefore, where we have highlighted gaps in our coverage, assurance should be sought from other sources where possible in order to ensure sufficient and appropriate assurances are received.

\* For those areas marked as Red (No Coverage), we anticipate that other assurance providers will provide coverage of these areas.

## Internal Audit Coverage in 2019/20

Following our SWAP risk assessment, we have set out below the extent to which the proposed plan presented in Appendix 1 provides coverage of the key components set out in the Force Management Statement (supplemented by certain core areas of recommended coverage). Where we have highlighted limited or no coverage, Senior Management and the Independent Audit Committee should seek assurance from alternative sources, or consider re-focussing internal audit resource to provide coverage of these areas:



*Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always remain fully with management. As such, internal audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.*

# The Internal Audit Plan: SWAP

SWAP Internal Audit Services is a public sector, not-for-profit partnership, owned by the public sector partners that it serves. The SWAP Partnership now includes 26 public sector partners, crossing eight Counties, but also providing services throughout the UK.

As a company, SWAP has adopted the following values, which we ask our clients to assess us against following every piece of work that we do:

- **Candid**
- **Relevant**
- **Inclusive**
- **Innovative**
- **Dedicated**



## Your Internal Audit Service

### Audit Resources

The 2019/20 internal audit programme of work will be equivalent to **524** days. The current internal audit resources available represent a sufficient and appropriate mix of seniority and skill to be effectively deployed to deliver the planned work. The key contacts in respect of your internal audit service for Dorset Police and OPCC and Devon & Cornwall Police and OPCC are:

**Rupert Bamberger, Assistant Director** – [rupert.bamberger@swapaudit.co.uk](mailto:rupert.bamberger@swapaudit.co.uk), phone number: 07724312464

**Laura Wicks Principal Auditor** – [laura.wicks@swapaudit.co.uk](mailto:laura.wicks@swapaudit.co.uk), phone number: 07825685711

### Conformance with Public Sector Internal Audit Standards

SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

Every three years, SWAP is subject to an External Quality Assessment of Internal Audit Activity. The last of these was carried out in March 2016 which confirmed conformance with the Public Sector Internal Audit Standards.

### Conflicts of Interest

We are not aware of any conflicts of interest within Dorset Police and OPCC and Devon & Cornwall Police and OPCC that would present an impairment to our independence or objectivity. Furthermore, we are satisfied that we will conform with our IIA Code of Ethics in relation to Integrity, Objectivity, Confidentiality, & Competency.

### Consultancy Engagements

As part of our internal audit service, we may accept proposed consultancy engagements, based on the engagement's potential to improve management of risk, add value and improve the organisation's operations. Consultancy work that is accepted, will contribute to our annual opinion and will be included in our plan of work.

### Approach to Fraud

Internal audit may assess the adequacy of the arrangements to prevent and detect irregularities, fraud and corruption. We have dedicated counter fraud resource available to undertake specific investigations if required. However, the primary responsibility for preventing and detecting corruption, fraud and irregularities rests with management who should institute adequate systems of internal control, including clear objectives, segregation of duties and proper authorisation procedures.

## The Internal Audit Plan: SWAP

Over and above our internal audit service delivery, SWAP will look to add value throughout the year wherever possible. This will include:

- Benchmarking and sharing of best-practice between our public-sector Partners
- Regular newsletters and bulletins containing emerging issues and risks
- Communication of fraud alerts received both regionally and nationally
- Annual Member training sessions

### Our Reporting

A summary of internal audit activity will be reported quarterly to senior management and the Independent Audit Committee. This reporting will include any significant risk and control issues (including fraud risks), governance issues and other matters that require the attention of senior management and/or the Independent Audit Committee. We will also report any response from management to a risk we have highlighted that, in our view, may be unacceptable to the organisation.

### Internal Audit Performance:

As part of our regular reporting to senior management and the Independent Audit Committee, we will report on internal audit performance. The following performance targets will be used to measure the performance of our audit activity:

Performance Measure	Performance Target
<p style="text-align: center;"><b><u>Delivery of Annual Internal Audit Plan</u></b> Completed at year end</p>	>90%
<p style="text-align: center;"><b><u>Quality of Audit Work</u></b> Overall Client Satisfaction <i>(did our audit work meet or exceed expectations, when looking at our Communication, Auditor Professionalism and Competence, and Value to the Organisation)</i></p>	>95%
<p style="text-align: center;"><b><u>Outcomes from Audit Work</u></b> Value to the Organisation <i>(client view of whether our audit work met or exceeded expectations, in terms of value to their area)</i></p>	>95%

*It should be noted that the audit titles and high-level scopes included below are only indicative at this stage for planning our resources. At the start of each audit, an initial discussion will be held to agree the specific terms of reference for the piece of work, which includes the objective and scope for the review.*

Link to FMS Section/ Corporate Area	Areas of Coverage and Brief Scope	Force/ OPCC	Total Days 19/20	Proposed Quarter
Protecting Vulnerable People	<b>Equalities</b> <i>A review of the controls and procedures in place to ensure the Alliance pays due regard to the Equality Act 2010, in the exercise of its functions and that this is embedded across the Alliance/OPCC</i>	Alliance/ OPCC's	10	Q3
Managing Serious & Organised Crime	<b>Automatic Number Plate Recognition (ANPR)</b> <i>A review of the Alliance's processes and controls in relation to ANPR.</i>	Alliance	12	Q4
Force Wellbeing	<b>Alliance Wellbeing</b> <i>A review of how the Alliance promotes and safeguards the wellbeing of its officers and staff</i>	Alliance/ OPCC's	15	Q3
IT & Information Management	<b>STORM – Lessons Learnt</b> <i>An assessment of the identification of need, scope, approvals, decisions and reporting of the STORM project, in order to inform and enhance other Alliance projects with the lessons learnt.</i>	Dorset Police	15	Q1
IT & Information Management	<b>Data Protection – Discs</b> <i>A review assessing whether the current approach in place in relation to the data protection of evidential discs is sufficient to tolerate the risk of non-encrypted discs. Include consideration of transport, risk of virus infection through unprotected data transfer, CCTV in custody suites and Disposal of Digital Media.</i>	Alliance	15	Q1
IT & Information Management	<b>Data Protection – Incident Reporting</b> <i>A review assessing whether the current incident management process is sufficient to minimise this risk of non-reporting or inadequate reporting</i>	Alliance	10	Q1



IT & Information Management	<b>Alliance ICT Convergence Strategy</b> <i>A review assessing how available ICT resources provide both day-to-day ICT Service Management and ensure that realistic demand for resources are commissioned by PRISM sponsored technology projects</i>	Alliance	20	Q2
IT & Information Management	<b>PRISM Demand Management</b> <i>A review assessing how demand management across the Alliance is effectively monitored and managed through the PRISM programme, including governance arrangements</i>	Alliance	15	Q3
IT & Information Management	<b>Personal Issue Assets</b> <i>A review assessing the controls in place where assets are issued to individuals and managed accordingly, to ensure that records are accurately maintained. This will also include consideration of Emergency Services Network.</i>	Alliance	15	Q4
Force Functions	<b>Business Continuity</b> <i>A review of the arrangements and plans in place to effectively respond to and maintain essential functions following a major disruption or disaster</i>	Alliance	15	Q1
Force Functions	<b>Estates – Statutory Obligations Management – Gas, Electrical compliance, Legionella &amp; asbestos.</b> <i>A review assessing how the Alliance effectively manages the risks in relation to gas, electrical compliance, Legionella and asbestos in its properties.</i>	Alliance	25	Q1
Force Functions	<b>Managing Market Supplements for Salaries</b> <i>The process sits between HR and payroll. An assessment as to whether contracts are covering off the supplement correctly – and the impact on annual leave &amp; notice as well as the regular reviews to ensure they remain current.</i>	Alliance	15	Q2
Force Functions	<b>Estates / HR (H&amp;S) - Fire Safety Management</b> <i>A review assessing how the Alliance effectively manages the risk in relation to fire safety in its properties, particularly around compartmentalisation.</i>	Alliance	15	Q2
Force Functions	<b>Management of Policies</b> <i>A review assessing how the Alliance manages the administration of its policy library, including ownership, approval, refresh etc.</i>	Alliance	13	Q3
Force Functions	<b>Review of new Fleet System</b> <i>A review of the new fleet system that has been implemented</i>	Alliance	15	Q4
Force Functions	<b>Estates – Financial Management of Major Projects &amp; Development</b> <i>A review of the financial management of a sample of major projects &amp; developments</i>	Alliance/ OPCC's	10	Q4

Force Functions	<b>Estates – Leasehold Management</b> <i>A review of how the Estates team effectively manage leasehold arrangements</i>	Alliance/ OPCC's	20	Q4
Force Functions	<b>Contracting with Training Providers</b> <i>A review of the current processes in place for contracting training providers to ensure value for money is achieved.</i>	Alliance	10	Q4
Force Functions	<b>Estates – Cold-Weather Management</b> <i>A review assessing the procedures in place to effectively safeguard Force buildings (i.e. gritting) in the event of cold weather to help prevent slips and accidents etc.</i>	Alliance	15	Q4
Finance	<b>Overtime &amp; Expenses of Special Constables/Volunteers</b> <i>A review of the procedures and controls in relation to overtime arrangements and expense claims for Special Constables</i>	Alliance	15	Q1
Finance	<b>Recovery of Special Policing Services Costs</b> <i>A review of the debt recovery monitoring of special policing services and also to cover Mutual Aid.</i>	Alliance	15	Q2
Finance	<b>Key Financial Control Reviews</b> <i>To include aspects of:</i> <ul style="list-style-type: none"> <li>▪ <i>Accounts Receivable</i></li> <li>▪ <i>Accounts Payable</i></li> <li>▪ <i>Payroll</i></li> <li>▪ <i>Main Accounting</i></li> <li>▪ <i>Budget Monitoring</i></li> <li>▪ <i>Pensions</i></li> <li>▪ <i>Treasury Management</i></li> </ul>	Alliance	98 (split as follows): 12 17 18 13 12 12 13	Q3
Finance	<b>Alliance Re-Charges</b> <i>A review of how the Alliance calculates and applies re-charges</i>	Alliance	13	Q3
Finance	<b>Income Generation</b> <i>A review of how the Alliance generates and maximises income, including a comparison with other Police forces</i>	Alliance	8	Q3

<b>Collaborations</b>	<b>Contract Monitoring</b> <i>A regional audit to include the procurement involvement and contract management arrangements of a sample of significant Force contracts to ensure the arrangements are joined up and delivering business need.</i>	<b>Alliance (And Region)</b>	<b>15</b>	<b>Q3</b>
<b>OPCC</b>	<b>Ministry of Justice Victims Services Grant</b> <i>Incorporating the annual sign off of this grant; at both mid-year and year-end points. To also include a review of the general grant processes in place</i>	<b>OPCC's</b>	<b>15</b>	<b>Q1-4</b>
<b>Governance, Fraud &amp; Risk Management</b>	<b>Chief's Charities Follow Up</b> <i>A review following up the previous audit findings and agreed actions in relation to Chiefs Charities. Also ensure liability is included within the scope.</i>	<b>D&amp;C</b>	<b>5</b>	<b>Q2</b>
<b>Governance, Fraud &amp; Risk Management</b>	<b>Quarterly Follow Up of Priority 1 &amp; 2 Recommendations</b>	<b>Alliance/ OPCC's</b>	<b>20</b>	<b>Q1-4</b>
<b>Governance, Fraud &amp; Risk Management</b>	<b>Planning, Reporting &amp; Ad Hoc Advice</b>	<b>Alliance/ OPCC's</b>	<b>40</b>	<b>Q1-4</b>
<b>Governance, Fraud &amp; Risk Management</b>	<b>Contingency for Emerging Risks/ Audits</b>	<b>Alliance/ OPCC's</b>	<b>0</b>	<b>Q1-4</b>
		<b>Total</b>	<b>524</b>	

<p><b>Reserve Audits</b>  <i>These audits could be used to substitute any work that cannot be progressed during the year for any reason</i></p>	<p><b>Neighbourhood Policing</b> - <i>A review of the Force's processes in place to enhance its approach to Neighbourhood Policing</i></p> <p><b>Community Engagement</b> - <i>A review of the Force's processes in place to enhance its approach to Community Engagement</i></p> <p><b>Support to officers and staff investigating crimes with vulnerable victims</b> - <i>A review to assess how the force supports officers in this area</i></p> <p><b>Use of total resource management (TRM) for non-emergency calls, involving vulnerable victims</b> - <i>A review of the arrangements in place to effectively use TRM</i></p> <p><b>Recording and oversight of vulnerability screening tool (ViST), the domestic abuse, stalking and harassment (DASH) risk assessment and the victim needs assessment (VNA)</b> - <i>A review to assess the operation and effectiveness of the above risk tools</i></p> <p><b>Legal Services – Caseload Management</b> - <i>A review of the caseload and effectively demand management within Legal Services</i></p> <p><b>Multi-agency safeguarding hubs (MASH) / Multi-agency risk assessment conferences (MARAC)</b> - <i>A review of these arrangements to ensure their effective operation and coordination with relevant parties</i></p> <p><b>Tackling County Lines</b> - <i>A review of the Alliance's efforts to disrupt and tackle this form of crime, in order to protect children and vulnerable adults</i></p> <p><b>Roll out of body-worn video cameras</b> - <i>A review to assess the progress in rolling out body-worn video cameras across the Alliance</i></p> <p><b>Examination of digital devices</b> - <i>A review of the arrangements put in place to improve the timely examination of digital devices</i></p> <p><b>Digital Enabling Technology portfolio</b> - <i>A review of the progress of this programme of work.</i></p>
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## The Internal Audit Charter

### Purpose

The purpose of this Charter is to set out the nature, role, responsibility, status and authority of internal auditing within Dorset Police and OPCC and Devon & Cornwall Police and OPCC, and to outline the scope of internal audit work.

### Approval

This Charter was last approved by the Independent Audit Committee on 13<sup>th</sup> March 2018 and is reviewed each year to confirm it remains accurate and up to date.

### Provision of Internal Audit Services

The internal audit service is provided by the South West Audit Partnership Limited (SWAP). SWAP is a Local Authority controlled company. This charter should be read in conjunction with the Service Agreement, which forms part of the legal agreement between the SWAP partners.

The budget for the provision of the internal audit service is determined by Dorset Police and OPCC and Devon & Cornwall Police and OPCC, in conjunction with the Members Meeting. The general financial provisions are laid down in the legal agreement, including the level of financial contribution by the Forces and OPCCs, and may only be amended by unanimous agreement of the Members Meeting. The budget is based on an audit needs assessment that was carried out when determining the level of contribution to SWAP by Dorset Police and OPCC and Devon & Cornwall Police and OPCC. This is reviewed each year by Chief Finance Officers (as s151 Officers) in consultation with the Chief Executive of SWAP.

### Role of Internal Audit

The Accounts and Audit (England) Regulations 2015, state that: *“A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance.”*

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the operations of the Forces and OPCCs. It helps Dorset Police and OPCC and Devon & Cornwall Police and OPCC accomplish their objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

### Responsibilities of Management and of Internal Audit

#### **Management<sup>1</sup>**

Management is responsible for determining the scope, except where specified by statute, of internal audit work and for deciding the action to be taken on the outcome of, or findings from, their work. Management is responsible for ensuring SWAP has:

- the support of management and Dorset Police and OPCC and Devon & Cornwall Police and OPCC; and
- direct access and freedom to report to senior management, including the four Section 151 Officers, OPCC Chief Executives and the Independent Audit Committee.

Management is responsible for maintaining internal controls, including proper accounting records and other management information suitable for running the Authority. Management is also responsible for the appropriate and effective management of risk.

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<sup>1</sup> In this instance Management refers to the Alliance Executive Boards

### **Internal Audit**

Internal audit is responsible for operating under the policies established by management in line with best practice.

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS); SWAP has been independently assessed and found to be in Conformance with the Standards.

Internal audit is not responsible for any of the activities which it audits. SWAP staff will not assume responsibility for the design, installation, operation or control of any procedures. Members of SWAP who have transferred in to the department from other areas in Dorset Police and OPCC and Devon & Cornwall Police and OPCC will not be asked to review any aspects of their previous department's work until one year has passed since they left that area.

### **Relationship with the External Auditors/Other Regulatory Bodies**

Internal Audit will co-ordinate its work with others wherever this is beneficial to the organisation.

### **Status of Internal Audit in the Organisation**

The Chief Executive of SWAP is responsible to the SWAP Board of Directors and the Members Meeting. The Chief Executive of SWAP and the Assistant Director also report to the Head of Alliance Audit, Insurance and Strategic Risk Management Department, Chief Financial Officer (as s151 Officer), and reports to the Independent Audit Committee as set out below.

Appointment or removal of the Chief Executive of SWAP is the sole responsibility of the Members Meeting.

### **Scope and authority of Internal Audit work**

There are no restrictions placed upon the scope of internal audit's work. SWAP staff engaged on internal audit work are entitled to receive and have access to whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, internal audit may have access to any records, personnel or physical property of Dorset Police and OPCC and Devon & Cornwall Police and OPCC.

Internal audit work will normally include, but is not restricted to:

- reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information;
- evaluating and appraising the risks associated with areas under review and make proposals for improving the management of risks;
- appraise the effectiveness and reliability of the enterprise risk management framework and recommend improvements where necessary;
- assist management and Members to identify risks and controls with regard to the objectives of Dorset Police and OPCC and Devon & Cornwall Police and OPCC;
- reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports, and determining whether Dorset Police and OPCC and Devon & Cornwall Police and OPCC are in compliance;
- reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets;
- appraising the economy, efficiency and effectiveness with which resources are employed;
- reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned;
- reviewing the operations of the Forces and OPCCs in support of Dorset Police and OPCC and Devon & Cornwall Police and OPCC anti-fraud and corruption policy/policies.
- at the specific request of management, internal audit may provide consultancy services provided:

- the internal auditor's independence is not compromised
- the internal audit service has the necessary skills to carry out the assignment, or can obtain such skills without undue cost or delay
- the scope of the consultancy assignment is clearly defined and management have made proper provision for resources within the annual audit plan
- management understand that the work being undertaken is not internal audit work.

### **Planning and Reporting**

SWAP will submit to the Independent Audit Committee, for approval, an annual internal audit plan, setting out the recommended scope of their work in the period.

The annual plan will be developed with reference to the risks the organisation will be facing in the forthcoming year, whilst providing a balance of current and on-going risks, reviewed on a cyclical basis. The plan will be reviewed on a quarterly basis to ensure it remains adequately resourced, current and addresses new and emerging risks.

SWAP will carry out the work as agreed, report the outcome and findings, and will make recommendations on the action to be taken as a result to the appropriate manager. SWAP will report at least four times a year to the Independent Audit Committee. SWAP will also report a summary of their findings, including any persistent and outstanding issues, to the Independent Audit Committee on a regular basis.

Internal audit reports will normally be by means of a brief presentation to the relevant manager accompanied by a detailed report in writing. The detailed report will be copied to the relevant line management, who will already have been made fully aware of the detail and whose co-operation in preparing the summary report will have been sought. The detailed report will also be copied to the Head of Alliance Audit, Insurance and Strategic Risk Management Department, Chief Finance Officers (as s151 Officers) and to other relevant line management.

The Assistant Director of SWAP will submit an annual report to the Independent Audit Committee providing an overall opinion of the status of risk and internal control within the Forces and OPCCs, based on the internal audit work conducted during the previous year.

In addition to the reporting lines outlined above, the Chief Executive of SWAP and the Assistant Director have the unreserved right to report directly to the Chairman of the Independent Audit Committee, the OPCC's Chief Executive Officers or the External Audit Manager.

**March 2019**