

Background and Overview of 2024/25 activity

This is the seventh report of the Dorset and Devon and Cornwall Independent Audit Committee (the Committee or IAC) to the Chief Constables and Police and Crime Commissioners of both Forces (the four corporations sole). It covers the period from April 2024 to March 2025. We offer the Chief Constables and Police and Crime Commissioners this report to increase understanding of the Committee's work and impact in supporting governance and providing assurance. The Committee seeks openness and following your consideration intends to arrange for publication of the report on your websites. The report therefore becomes a public record of the assurance work undertaken by the Committee.

A single Committee to provide independent advice and assurance for functions across both Force areas for the two forces was established in 2019. This is a significant benefit with a shared Alliance finance department, single internal audit system and a single external audit provider.

The Committee's terms of reference set out its purpose: to *'provide independent advice, assurance and recommendations to the Chief Constables and Police and Crime Commissioners of Devon & Cornwall and Dorset, on the adequacy of governance and risk management frameworks, internal control environments and financial reporting, thereby helping to ensure efficient and effective assurance arrangements.'* Separate operating principles complement the terms of reference. Both are reviewed and amended at least annually. The scope of the Committee's activities and its terms of reference are shaped heavily by the Chartered Institute of Public Finance and Accountancy (CIPFA) Practical Guidance Code for local authorities and police audit committees. The Committee's terms of reference and operating principles have been reviewed and updated, but without major amendment.

Membership of the Committee has changed over the year. We are now in a much stronger position to provide assurance on matters of governance. A recruitment campaign was carried out in the earlier part of the year and several promising candidates applied. One new member was appointed to fill a vacancy that had been carried for over a year. A second candidate was offered the opportunity to attend the Committee as an Observer, pending a further vacancy arising. This candidate was appointed to the Committee on 1st April 2025, following the resignation of a member. This approach obviated the need to carry out another recruitment process in 2025 and ensures the Committee is likely to remain at full strength. Those appointed offer a wealth of experience in public financial management, as well as a depth of knowledge about the particular features of police governance. Once the elections for the Devon and Cornwall and Dorset PCCs had been concluded, leadership of three of the four corporations sole remained stable and clear. The challenges posed by the changing leadership of the Devon and Cornwall force has however required additional focus on the governance risks for Devon and Cornwall. We are pleased to note that the risks have been identified and managed.

The Chief Constables and Police and Crime Commissioners have provided input to some of the Committee's meetings in the year and members look forward to continuing to build on these relationships.

Members took full advantage of technology for meetings, sharing papers and team interaction. We are pleased to note that in June 2024, the Committee met in person; the first in person meeting since prior to the Covid lockdown in 2020. At least one meeting annually will be held in person. The remaining formal Committee meetings were held using Microsoft Teams. Members also met informally (via Teams) between each formal meeting. These meetings help plan future work and share information and knowledge. No decisions are taken at these informal meetings. The operation of a lead member for areas of the Committee's work has operated well helped focus work and reduced the demands made on officers.

It remains the case that during a typical year there are around 100 papers to read and review, along with additional reports and reading from professional organisations. After each Committee meeting a summary of the main issues considered and any areas where further attention may be required is prepared for the heads of the four corporations sole. This also provides a useful record, outside of the formal minutes, of the key issues covered during the year. As in previous years, much of the Committee's work covered the production of budgets, auditing of the accounts, the work of internal and external auditors, risk management arrangements, treasury management activity and the annual governance statements. Particular attention was again given to external audit arrangements, including the actions being taken nationally to address the challenges of public sector audit and the potential application of backstop arrangements in Dorset. It is pleasing to note that unqualified opinions were given on the financial statements for Devon and Cornwall and, in line with the national backstop rules, a limited scope opinion given for Dorset. Members recognise that the working arrangements and mutual understanding between the officers and external auditors is now good and look forward to future audits being completed closer to the end of the financial year. The Committee remains convinced that this strengthens public accountability and reduces risks.

The CIPFA framework¹ of knowledge and skills for audit committees of police bodies is applied through the year to identify training needs and for self-evaluation. CIPFA recommends annual evaluation and reporting to the four corporations sole using that framework. The Alliance senior audit manager leads on this evaluation and reviews the coverage of the Committee's work and compares this against CIPFA guidance. Areas for development or improvement because of that assessment are covered in the final section of this report. Committee members adhere to the CIPFA guidance. Review meetings between the Chair and each member individually were held in early 2025. These meetings help identify areas for development or training. In addition, informal meetings held by members and the self-assessment that is covered later in this report assist in the development of the Committee.

Members continue to highlight the problems in using police IT systems when they always work remotely. Despite a lot of effort from officers, a solution has not been forthcoming. Alternative arrangements helped to minimise the impact, but at a cost of increased efforts by some staff and members. We remain concerned that the

¹ Chartered Institute of Public Finance and Accountancy; Practical Guide for Local Authorities and Police, 2022 Edition

Committee's effectiveness and efficiency is affected by this, given that members live across a wide geographical area and remote working assists in achieving efficiencies.

The Committee recognises that it cannot achieve its aims without the support, commitment and work of officers. Members value this support and again place on record appreciation of the work by many officers and others in supporting the Committee or in preparing and presenting reports and papers. The Committee would also take the opportunity to record the contribution made by the Head of Audit, Insurance and Strategic Risk Management who retired towards the end of the Committee's year. Her contribution in helping to initially establish and then support the Committee was invaluable. Interim arrangements have been put in place, but the Committee would like to make sure that there is recognition by the PCCs and Chief Constables that high level senior support, as well as good quality administrative support is essential if the Committee is to provide the highest quality challenge and advice.

More detail about the Committee's work is in the following sections.

Promoting the principles of good governance

Our examination during the past year has focused on how such principles are covered in the Annual Governance Statements (AGSs) along with their respective Governance Assurance frameworks and assurance maps. This includes how the corporations sole deal with environmental and sustainability challenges. The governance assurance statements that form part of the AGSs cover several important principles. Principle C deals with defining outcomes for the forces in terms of sustainable economic, environment and social benefits. The priorities and objectives are covered in the Police and Crime Plans. Scrutiny of these plans is a matter for the Police and Crime panels and provides a further opportunity to ensure the four corporations sole place appropriate emphasis on long term sustainability.

The assurance map covers not only both forces, but regional activities too. The assurance map clarifies responsibilities and accountabilities and sets out how independent assurance is obtained.

Our primary role is to ensure that we can adequately assess the effectiveness of the governance frameworks in place to deliver good governance. It is important that the Committee does not become involved in the assessment of operational performance. Instead, we must retain our focus on assessing assurance for the Police & Crime Commissioners and Chief Constables, as the individuals responsible for governance.

To enable the IAC to deliver on its requirements we regularly receive reports, hold meetings and engage in other ad-hoc discussions to support our process of objective and timely assessment and challenge. The principal key sources of information through which we assess our opinion on governance are:

- Annual Governance Statements (AGS)
- Risk Management Framework
- Internal Audit

- Assurance Mapping
- External Audit (incl. Value for Money)
- Financial Management Framework – *Budgeting, Treasury Management, Financial Statements*

Comments on these are found throughout our Annual Report.

The Committee also receives regular governance updates on any revisions to regulatory requirements and standards (e.g., *Public Sector Internal Audit Standards etc.*) to ensure that we are alert to and, where necessary, make changes to adjust our approach and focus.

A primary source of annual assurance for the IAC is the process and content of the Annual Governance Statements (AGS). The AGSs were considered at our meetings in April 2024 and on 2nd April 2025. The most recent AGSs reflected the decision of Devon and Cornwall to produce a separate AGS for the Police and Crime Commissioner and Force – meaning all four corporation soles have produced an individual AGS. This enables each to reflect and report on the specific and distinct responsibilities that each has in the overall governance framework.

The Committee sought confirmation that each AGS is supported by an evidence base. This is compiled and assessed in relation to recognised CIPFA guidance. They draw upon and make direct reference to internal and external audit opinions, risk management, assurance mapping, financial management. This enables each of the corporate soles to undertake an objective and informed judgment against each of CIPFA's seven principles of 'Delivering Good Governance'. If any gaps are identified, or it is felt that further development actions would be beneficial in improving the governance framework, these are captured and listed as the Key Areas for Development with published timescales for completion. For example, Devon & Cornwall OPCC and Force have specifically highlighted the importance of improvements necessary to remove the HMICFRS PEEL inspection Engage Programme. Dorset OPCC and Force have both cited the Cost Challenge, delivering the savings to ensure the Force can deliver a balanced budget each year. The inclusion of these issues confirms to the IAC that there is a clear awareness, recognition, openness and transparency of those significant strategic governance challenges that each are currently facing. A further level of assurance on the AGS is also provided through the external auditors, who also independently assess, and provide their opinion.

Effective control environment and supporting the quality and independence of internal audit

The Committee considered and approved draft internal audit plans proposed by the South West Audit Partnership (SWAP), prepared on a rolling six-month basis. These plans were aligned to the key components in the Force Management Statements. The internal audit plan makes clear the extent of coverage of functions i.e. good, adequate, or some coverage; as well as where there was none.

Where there is no coverage SWAP advised that such assurance should be sought from other sources, including reports from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). The different sources of assurance were reported in the annual assurance map. This confirmed that a governance mechanism to identify sufficient and appropriate assurances was in place for the corporations sole.

The Committee also reviewed the internal audit charter describing functional reporting arrangements, scope and authority of internal audit work and quality requirements of the internal auditor. SWAP was advised that the charter needed further development to recognise the unique governance structures found within the police sector and the independence of the IAC. A revised version was subsequently offered during 2025, but the Committee advised that the charter could not yet be accepted and required further amendment.

The Committee gave support to internal audit and constructive challenge to the executive by reviewing the plan and progress reports regularly and considering management responses and target dates for action. Provision of full audit reports outside of Committee papers allowed detailed findings, management responses and target dates for implementation to be reviewed. Members reviewed these and raised questions at the following meeting. It also allowed the Committee to challenge significant gaps in timelines from the start of an audit to reporting. The Committee was assured by the routine monitoring of audit recommendations being implemented through audit governance arrangements. The Committee had raised concerns about the level of accountability for the completion of internal audit actions. Following new reporting arrangements for overdue actions agreed at the beginning of the year, we are pleased to confirm we were reassured by subsequent reporting. Any amendments to the agreed plan for internal audits, whether additional, deferred or replaced, were considered quarterly by the Committee.

The Committee held an additional meeting in October 2024 to consider an internal audit report on the implementation of ICT projects. This was judged to be very successful with good insight provided by the SWAP ICT auditor. The Committee suggested that the findings were applicable to the management of all major projects; not just ICT projects.

In June 2025, SWAP brought its 2023/24 annual report for the four corporations sole to the Committee. The Audit Opinion stated: "On the balance of our 2024/25 audit work for Dorset Police & OPCC and Devon and Cornwall Police & OPCC, enhanced by the work of external agencies, I am able to offer a Reasonable Assurance opinion in respect of the areas reviewed during the year."

Arrangements for the governance of risk

Successful risk management arrangements are key to strong governance and therefore an area that requires close attention from the Committee. Risk management updates are given twice yearly, with full risk registers made available to members on their dedicated disk drive. Papers from meetings indicated that risk

management strategies were tailored to address specific threats facing the forces, including cyber threats, public safety issues and fluctuating funding landscapes. Reports also evaluated the strategic response to these risks and the adequacy of risk mitigation measures.

IAC members find arrangements for the governance of risk to be effective.

For Devon and Cornwall, the Force Management Risk Registers (FMRR) have largely stabilised, with procedure and step by step guides written. Under the FMRR process, each area of the Force is proactively scrutinised, and a Risk Statement produced. The process is designed to work in conjunction with the Force Management Statements. These identify and record the actions required to mitigate the risks and track their progress to address the risk. It was agreed during the year that a reduced number of risks would be reported to the PCJE, comprising those where all assessments were red (highest scores).

Risk management was identified as a key component of the HMICFRS improvement governance structure for Devon and Cornwall.

In Dorset a new process was introduced to assess the effectiveness of internal controls which are identified as weak/unproven or effective.

Regular assessments of internal control systems were a recurring theme in the IAC papers. The Committee required documented assurances regarding the effectiveness of these systems, which form the backbone of robust risk management practices. For instance, the Committee closely monitored risk reports and the implementation of internal control recommendations, stressing the importance of timely action on identified weaknesses.

The Committee was pleased to note that risk deep dives into departments in the Strategic Alliance are being conducted at bi-monthly Joint Executive Board (JEB) meetings. The Joint Executive Board (JEB) have adopted a single set of risk scoring guidelines across both forces and the Strategic Alliance departments to increase the consistency of risk scoring. The JEB also agreed to the creation of a Strategic Alliance Risk Register drawing from the two forces individual risk registers.

During the year risk training by SWAP and the Institute of Risk management was delivered to the Devon and Cornwall force executive, Business Board and officers. Both forces continue in their work to consider risk appetite.

Assurance frameworks and assurance planning

Given the year had seen further changes in leadership as well as two new people now serving on the Committee, members were keen to ensure its work focused on the areas where leaders sought assurance from the Committee. Views from the Executive on the IAC workplan were obtained.

Regular reports from external and internal audit at each meeting provided information on the effectiveness of assurance frameworks in practice. It was noted that the strategic boards within the four corporations sole performed an important role in the assurance framework. The Committee was keen to supplement rather than duplicate their work. The annual workplan covered the review of key documents such as Annual Governance Statements and Treasury Management reports.

The independence of SWAP was underlined in its draft Internal Audit Charter, defining its role as an 'independent, objective assurance and consulting activity', with no responsibility for any of the activities which it audits. Members of the Executive declared any interest as a director of SWAP or membership of its Owners Board on behalf of regional forces.

The Committee continues to monitor progress against the actions and recommendations from the internal auditors. Strengthening of the actions taken to improve the meeting of deadlines is covered in a previous section. External audit is dealt with elsewhere in this report.

The uncertainty surrounding future funding levels together with the inflationary pressures imposed on the forces were noted. It was recognised that good assurance was central to being up to date on current risks and mitigation for the forces and OPCC. The Committee resolved to continue to seek assurance through the IAC meeting that internal controls and governance are both in place and working effectively. This was subsequently reported on at the IAC meeting in June 2025.

Supporting the development of robust arrangements for Value for Money (VfM)

The Committee continues to take a wide view on what constitutes robust arrangements. VfM can be measured in several ways which evidence improving economy, efficiency and effectiveness. This is now more prevalent in the current economic environment with the effect of inflation impacting upon the all the resources to deliver the service on a day to day basis. This meant that the Committee continued to look in depth and challenged the governance and the financial sustainability over the medium term which included the 2024/25 outturn position and both forces savings plans, the MTFP, cash flow forecast and the reserves policy. These areas were constantly reviewed throughout 2024/25. Both forces have dealt well with this pressure during 2024/25. However, the 2025/26 budget has been challenging for all forces.

Assurance was gained from the Annual Governance Statements, risk management arrangements, budget planning and monitoring, audits and HMICFRS performance dashboard.

In addition to informing business cases and plans to achieve savings, the 2025/26 budget process incorporated greater use of the data. Both forces also produced a Going Concern Report and Resilience Review.

At the meeting on 4 December 2024 Grant Thornton presented the Devon and Cornwall and Dorset Annual Audit Report for 2023/24. For Devon and Cornwall, the positive area was financial sustainability being assessed as green although there was still significant weakness, with improving economy, efficiency, effectiveness still being assessed as red. This remained red due to the enhanced monitoring after the PEEL inspection. There continued to be a significant amount of debate and challenge on this area, but it is clear that external auditors would inevitably conclude that VfM arrangements would be deemed unsatisfactory whilst the Force remained under enhanced monitoring. For Dorset the picture was more positive with the only concern being future financial sustainability where risk was highlighted as increasing. This was assessed as amber, with no improvement recommendations being raised.

External audit and inspection

The role of the Committee includes considering the work of the appointed external auditors, Grant Thornton (GT), for all four corporations sole. Public Sector Audit Appointments Ltd (PSAA) is responsible for appointing the external auditors. The appointed auditors provided written reports and were represented at all Committee meetings.

During the year the Committee discussed continuing delays being experienced by both forces to the delivery of audited financial statements and the government's response which was to implement audit backstop dates to get the sector back on track. The Committee highlighted the continual increased risk to both forces because of these delays. Heightened risks included financial and value for money assessments that may have been up to two years out of date at a time when challenging financial positions require reliable bases for future planning, as well as reduced accountability to the public. However, the Committee recognised that considerable progress had been during 2024 and that the financial management in all four corporations sole was strong. The greatest risk remained the adverse impact on the workflow and wellbeing of the Finance team.

The progress achieved in 2024 meant that the 2022/23 accounts for Dorset received an audit opinion, suitably modified to recognise the failure of the pension fund auditor to issue the documentation required. A special meeting of the Committee was held in February 2025 to ensure the 2023/24 accounts for all four corporations sole could be signed off ahead of the backstop of 28 February 2025. Again, a limited scope opinion was appropriate for the Dorset accounts. The Committee note that this was a challenging process and were pleased that the 2025/25 would be back to a more normal timetable.

Promoting effective public reporting of accounts, partnership governance and accountability

The continuing difficulties associated with completing the external audit of the financial statements across the country was discussed at every meeting of the Committee. In the second part of the year, a major focus was the process for addressing the audit

backlog and proposals for backstop arrangements, along with the potential consequence of receiving qualifications on the auditor's opinion. The section above shows that the statutory deadlines were met. However, the difficulties with scheduling and performing the external audits led to consideration and examination of the accounts over a prolonged period. The accounts and audit finding reports were taken at different meetings throughout the year. As well as the external audit findings, the Committee considered the Chief Finance Officers' narrative and outturn reports and the accounts for Dorset and Devon and Cornwall were also examined in detail.

As in previous years, the main questions and challenges about the accounts covered the valuation of property and pensions, as well as timing of the pension audits. The Committee compares differences in accounting treatment or approach to items such as the required level of reserves. This is a strength of a committee covering both Force areas as it helps with comparative information. In all cases the officers provided explanations. This allowed the Committee to provide assurance over the quality and depth of financial reporting, despite external challenges.

The major area of partnership continues to be the joint arrangements between the two Forces. Governance of these areas is dealt with in the comprehensive Annual Governance Statements (AGSs). These were reviewed at the Committee's meetings in April 2024 and April 2025. The Committee noted that the further developments in relation to risk management of Alliance activities. This was explored further in an informal meeting with the Deputy Chief Constable for Dorset and the Director of Legal, Reputation and Risk for Devon and Cornwall.

Ethical values

The Committee was pleased to see the prominence now given to encouraging and supporting strong ethics in both forces. Such prominence assists the Committee in providing assurance. Reports to the Committee provide an overview of the ethical standards required.

Ethical considerations remain paramount, particularly in light of emerging societal expectations regarding police conduct and accountability. The Committee has stressed the importance of establishing robust ethical frameworks to guide officers in their daily responsibilities. This includes enhanced training programmes on ethical policing, clear reporting mechanisms for misconduct, and ongoing dialogue with the community to reinforce transparency and accountability.

A new Code of Ethics was launched by the College of Policing in January 2024 comprising ethical policing principles, guidance on ethical and professional behaviour and a code of practice for ethical policing. The Committee considered the new Code of Ethics at the start of the year and was informed of training that was to take place. There were regular ethics committee meetings taking place, which considered 'Dilemmas for Discussion', specific Operation updates and the role of artificial intelligence. The IAC was offered at open invitation to attend any of these ethics committees as an observer.

The IAC was presented with a comprehensive overview of the current state of risk and ethical practices within the forces.

Treasury Management

The Committee's role is to provide assurance that the components of effective Treasury Management are established, applied and actions taken to deal with changes in circumstances. To fulfil this role effectively the Committee accesses annual training and considers extensive reports.

The Committee reviewed Treasury Management strategies for 2025/26 at its December meeting, their inter-relationships with capital and borrowing strategies and considered performance outcomes of all strategies. This enabled the Committee to provide assurance that effective arrangements are established in both Force areas. Recognition of the emphasis that must be placed on reducing risk was evident in the strategies. At this meeting the Committee also received its 2024/25 mid-year report from organisations which ensured compliance with the Prudential and Treasury Management code revisions which were changed for this reporting year.

The strategies continued to follow an approach acknowledging how increasing interest rates require a mixed approach use of internal borrowing and short-term loans. Importantly, operational arrangements mean that changes can be made dependent on the fluctuation of interest rates to ensure the safest and best use of working capital.

In September 2024 a report under section 114(2) of the Local Government Act 1988 was issued on another Police Area with regard to the omission of Minimum Revenue Provision (MRP) charges to the revenue account. This omission was deemed as unlawful as the policy on MRP had not been followed. Both forces undertook a review of the MRP and Capital Financing Reserve to ensure compliance with policies.

Treasury Management refresher training took place in December 2024 at an online meeting using 'in-house' expertise rather than an external provider. It was, therefore, tailored to members' needs and allowed for greater interaction with all participants. It means the Committee is well placed to continue to perform its role for the forthcoming year.

Membership and plans for 2025-26

Towards the end of each year an assessment and evaluation of the Committee's role and work is carried out. The evaluation is undertaken by the Senior Audit Manager against the revised CIPFA guidance and helps to identify areas where the Committee will consider further coverage or give greater emphasis to its work in the following year. In addition, the senior Audit Manager and each Committee member completes CIPFA's self-assessment of good practice. These evaluations and self-assessments also help to identify training requirements. A copy of the Senior Audit Manager's evaluation for the 2024/25 is attached as an Appendix.

In last year's evaluation a few issues were raised for consideration or adoption during 2024/5. As a result:

- occasional meetings between Chair and Vice Chair and the heads of the corporations have been held or scheduled. These help to ensure the Committee's work is understood and remains relevant.
- minutes have been finalised and circulated more promptly.
- feedback on the IAC annual report was formalised.
- governance arrangements for collaborations and arm's length arrangements have been reviewed.
- no action was taken to extend the Committee's workplan to include review of major projects governance or the effectiveness of performance management arrangements.

Over the last two years, each member has taken on a lead role for themes which fall under the Committee's agreed Terms of Reference. These cover:

- Financial planning and reporting, external auditing, treasury management
- Equality and diversity, ethics, values, counter fraud and corruption
- Internal audit and risk management
- Governance framework, including AGS and sources of assurance (mapping)
- Committee planning, operation, co-ordination, reporting, training and development, relationships with other IACs and principal liaison with officers

The arrangement is generally working well, with greater focus and attention being given to some key aspects of the Committee's work. Given the changes in the membership of the Committee, fresh ideas and emphasis have been evident as the lead member role is assumed by the new members. 2025-26 will see further progress as a result of the fresh impetus.

The self-assessment and review by the Senior Audit Manager use the CIPFA guidance and has 29 questions, under four broad headings. These are:

- Audit committee purpose and governance
- Functions of the committee
- Membership and support
- Effectiveness of the committee

Full compliance is scored 5 (out of 5). The following questions scored less than 5, with no score less than 3.

- Over the last year, has adequate consideration been given to all core areas?
- Has the committee met privately with the external auditors and head of internal audit in the last year?
- Is adequate secretariat and administrative support provided to the committee?
- Are meetings effective with a good level of discussion and engagement from all the members?
- Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?

- Do audit committee recommendations have traction with those in leadership roles?
- Has the committee evaluated whether and how it is adding value to the organisation?
- Does the committee have an action plan to improve any areas of weakness?

Where appropriate, actions taken as a result of consideration of these questions will be reported in next year's report.

Tom Grainger (Chair)

Gordon Mattocks

Phil Rook (Vice Chair)

Mark Taylor (from September 2024)

Rachael Tiffen

Steve O'Connell (Observer from September 2024; appointed as a member 1st April 2025)

Evaluating the impact and effectiveness of the audit committee 2024/2025

The audit committee's effectiveness should be judged by the contribution it makes to and the beneficial impact it has on the Force and OPCC business. Since it is primarily an advisory body, it can be more difficult to identify how the audit committee has made a difference. Evidence of effectiveness will usually be characterised as 'influence', 'persuasion' and 'support'.



Areas where the audit committee can have impact by supporting improvement	Examples of how the audit committee can demonstrate its impact	CIPFA Key indicators of effective arrangements	Your evaluation: strengths, weaknesses and proposed actions
<p>Promoting the principles of good governance and their application to decision making.</p>	<ul style="list-style-type: none"> • Supporting the development of a local code of governance. • Providing a robust review of the AGS and the assurances underpinning it. • Supporting reviews/audits of governance arrangements. • Participating in self-assessments of governance arrangements. • Working with partner audit committees to review governance arrangements in partnerships. 	<ul style="list-style-type: none"> • Elected members, the leadership team and senior managers all share a good understanding of governance, including the key principles and local arrangements. • Local arrangements for governance have been clearly set out in an up-to-date local code. • The authority's scrutiny arrangements are forward looking and constructive. • Appropriate governance arrangements established for all collaborations and arm's-length arrangements. • The head of internal audit's annual opinion on governance is satisfactory (or similar wording). 	<p><i>Lack of reporting on governance arrangements for collaborations and arm's length arrangements. (Regional Forensics / ROCU / Regional Procurement / Pensions Board). This is an area reported within the AGS for 2024/25. Obviously, the biggest collaboration is the Alliance which is reported upon due to the joint IAC.</i></p> <p><i>Local Code presented to IAC for review every two years for the update.</i></p> <p><i>Draft AGS reported to IAC for comment prior to finalisation by the S151 Officers.</i></p> <p><i>SWAP have created training and engagement with other local police audit committees.</i></p>

<p>Contributing to the development of an effective control environment.</p>	<ul style="list-style-type: none"> • Encouraging ownership of the internal control framework by appropriate managers. • Actively monitoring the implementation of recommendations from auditors. • Raising significant concerns over controls with appropriate senior managers. 	<ul style="list-style-type: none"> • The head of internal audit's annual opinion over internal control is that arrangements are satisfactory. • Assessments against control frameworks such as CIPFA's FM Code have been completed and a high level of compliance identified. • Control frameworks are in place and operating effectively for key control areas – for example, information security or procurement. 	<p><i>Audit Action reports have been presented quarterly during 2024/25.</i></p> <p><i>Ability for the committee to request attendance at IAC for explanations on delays in implementing audit actions was introduced within 2024/25. The IAC will look to extend the arrangements during 2025/26</i></p>
<p>Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks.</p>	<ul style="list-style-type: none"> • Reviewing risk management arrangements and their effectiveness, eg risk management maturity or benchmarking. • Monitoring improvements to risk management. • Reviewing accountability of risk owners for major/strategic risks. 	<ul style="list-style-type: none"> • A robust process for managing risk is evidenced by independent assurance from internal audit or external review. 	<p><i>A six-monthly update is presented to IAC, together with copies of the Risk Registers available to IAC members on their network drive. However, due to ICT access not all members have access to the network drives. Therefore, actions are still required to overcome this.</i></p>

<p>Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.</p>	<ul style="list-style-type: none"> • Reviewing the adequacy of the leadership team's assurance framework. • Specifying the committee's assurance needs, identifying gaps or overlaps in assurance. • Seeking to streamline assurance gathering and reporting. • Reviewing the effectiveness of assurance providers, eg internal audit, risk management, external audit. 	<ul style="list-style-type: none"> • The authority's leadership team have defined an appropriate framework of assurance, including core arrangements, major service areas and collaborations and external bodies. 	<p>Assurance framework is spread across the forces. SWAP have delivered an overall assurance dashboard for both forces, which includes internal assurance coverage being fed into the dashboard. This gives more of an overall assurance picture. Further work with the force audit & insurance team will take place in 2025/26 to develop further.</p>
<p>Supporting effective external audit, with a focus on high quality and timely audit work.</p>	<ul style="list-style-type: none"> • Reviewing and supporting external audit arrangements with focus on independence and quality. • Providing good engagement on external audit plans and reports. • Supporting the implementation of audit recommendations. 	<ul style="list-style-type: none"> • The quality of liaison between external audit and the authority is satisfactory. • The auditors deliver in accordance with their audit plan, and any amendments are well explained. • An audit of high quality is delivered. 	<p>The Committee has persistently challenged External Audit on delivery at the quarterly committee meetings. The certification of the 2023-24 accounts was completed prior to the February 2025 backstop date. There is cautious optimism that the system will begin to recover and there will be a gradual return to better compliance with publication targets. In addition, the commitment from Government and the auditing sector to work towards a robust and appropriate audit framework for local (and police) authorities is welcomed.</p>

<p>Supporting the quality of the internal audit activity, in particular underpinning its organisational independence.</p>	<ul style="list-style-type: none"> • Reviewing the audit charter and functional reporting arrangements. • Assessing the effectiveness of internal audit arrangements, providing constructive challenge and supporting improvements. • Actively supporting the quality assurance and improvement programme of internal audit. 	<ul style="list-style-type: none"> • Internal audit that is in conformance with PSIAS and LGAN (as evidenced by the most recent external assessment and an annual self-assessment). • The head of internal audit and the organisation operate in accordance with the principles of the CIPFA Statement on the Role of the Head of Internal Audit (2019). 	<p><i>Internal Audit meet regularly with the IAC's lead member for IA. The Committee will look to extend this to occasional independent meetings with the entire committee. The audit charter sets out that SWAP comply with the PSIAS and LGAN, which is presented to IAC. The Committee believe that a revised charter, appropriate for the governance arrangements found in the police sector is appropriate and will seek to achieve this in 2025. An external assessment of SWAP is undertaken every 5 years. This was undertaken in December 2024 and a 'generally conforms' opinion was provided, this being the top rating with the highest level of assurance achieved. The full report was presented to the June 2025 committee.</i></p>
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<p>Aiding the achievement of the authority's goals and objectives by helping to ensure appropriate governance, risk, control and assurance arrangements.</p>	<ul style="list-style-type: none"> • Reviewing how the governance arrangements support the achievement of sustainable outcomes. • Reviewing major projects and programmes to ensure that governance and assurance arrangements are in place. • Reviewing the effectiveness of performance management arrangements. 	<ul style="list-style-type: none"> • Inspection reports indicate that arrangements are appropriate to support the achievement of service objectives. • The authority's arrangements to review and assess performance are satisfactory. 	<p><i>Annual Governance Statement for all four corporation soles are presented to IAC in draft format for comment and consideration.</i></p> <p><i>The review of Major Projects governance is not part of the Document Forward Plan for IAC. However, the subject can be raised as an area that the IAC require assurance on at any time.</i></p> <p><i>Performance Management arrangements are reviewed by the Police & Crime Panel and is not currently part of the forward plan work for IAC.</i></p>
<p>Supporting the development of robust arrangements for ensuring value for money.</p>	<ul style="list-style-type: none"> • Ensuring that assurance on value-for-money arrangements is included in the assurances received by the audit committee. • Considering how performance in value for money is evaluated as part of the AGS. • Following up issues raised by external audit in their value-for-money work. 	<ul style="list-style-type: none"> • External audit's assessments of arrangements to support best value are satisfactory. 	<p><i>An annual report on a review of the Value for Money reports prepared by CIPFA is presented to IAC.</i></p> <p><i>Issues they raise are made to the Head of Finance and S151's who attend the Committee.</i></p> <p><i>External Audit and HMICFRS also report on Value for Money.</i></p> <p><i>VFM audits contained within the annual Internal Audit plan.</i></p>

<p>Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.</p>	<ul style="list-style-type: none"> • Reviewing arrangements against the standards set out in the <i>Code of Practice on Managing the Risk of Fraud and Corruption</i> (CIPFA, 2014). • Reviewing fraud risks and the effectiveness of the organisation's strategy to address those risks. • Assessing the effectiveness of ethical governance arrangements for both staff and governors. 	<ul style="list-style-type: none"> • Good ethical standards are maintained by both elected representatives and officers. This is evidenced by robust assurance over culture, ethics and counter fraud arrangements. 	<p><i>An annual update on the Ethics Committee and activities undertaken in both forces is presented to IAC. Actively monitoring adherence to the code of ethics.</i></p> <p><i>The Fraud & Corruption Policy and Fraud Strategy are presented to IAC which sets out how the potential for Fraud & Corruption internally is managed and what is in place to address those risks.</i></p> <p><i>Fraud reporting is reported to IAC every six months, and fraud assurance is mapped and reported annually. Annual reports on NFI findings are presented to IAC.</i></p>
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<p>Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.</p>	<ul style="list-style-type: none"> • Working with key members/the PCC and chief constable to improve their understanding of the AGS and their contribution to it. • Improving how the authority discharges its responsibilities for public reporting – for example, better targeting the audience and use of plain English. • Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encourages greater transparency. • Publishing an annual report from the committee. 	<ul style="list-style-type: none"> • The authority meets the statutory deadlines for financial reporting with accounts for audit of an appropriate quality. • The external auditor completed the audit of the financial statements with minimal adjustments and an unqualified opinion. • The authority has published its financial statements and AGS in accordance with statutory guidelines. • The AGS is underpinned by a robust evaluation and is an accurate assessment of the adequacy of governance arrangements. 	<p><i>The preparation of the financial reports and the publication of the audited accounts is achieved within the statutory deadlines.</i></p> <p><i>Going concern reports presented for each force by the OPCC Treasurer annually.</i></p> <p><i>The AGS is reviewed by IAC at the draft stage to ensure it meets the needs to better target the audience and the use of plain English.</i></p> <p><i>Governance Assurance Framework documents shared with IAC outside of the committee papers to show how the evidence is collated to accurately assess the adequacy of governance arrangements.</i></p> <p><i>An annual report is prepared by IAC every year and published.</i></p>
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