



# THE POLICE, FIRE AND CRIME COMMISSIONER FOR NORTH YORKSHIRE AND THE CHIEF CONSTABLE OF NORTH YORKSHIRE

Internal Audit Strategy 2019 / 2022

Presented at the Joint Independent Audit Committee meeting of:  
19 March 2019

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# EXECUTIVE SUMMARY

Our Internal Audit Plan for 2019 / 2020 is presented for consideration by the Joint Independent Audit Committee.

The key points to note from our plan are:

**2019 Internal audit priorities:** internal audit activity for 2019 / 2020 is based on analysing your Police and Crime Plan 2017 / 2021, the principal and strategic risks facing the organisations and other assurance providers (HMICFRS) as well as other factors affecting the organisations such as Transform 2020. Our detailed plan for 2019 / 2020 is included at section one.

The internal audit priorities have been discussed and agreed with the following individuals of the organisations:

- Risk and Assurance Manager
- Chief Constable
- Deputy Chief Constable
- Assistant Chief Constable
- Temporary Assistant Chief Constable
- Interim Chief Executive Officer
- Chief Finance Officer, the Police, Fire and Crime Commissioner
- Chief Finance Officer, the Chief Constable
- Head of Commissioning and Partnership Services





**Level of Resource:** The level of resource required to deliver the plan is likely to be consistent with 2018 / 2019, with the daily rate held in line with the agreement made upon our appointment. We have however, in agreement with management, costed all of the potential reviews for 2018/19 discussed, and we understand this will be prioritised by management on receipt of this draft plan. We will continue to use technology when undertaking operational audits in 2019. This will strengthen our sampling, increasing the level of assurance provided. *Please note the plan has now been updated (1/3/19) following comments received back from management.*

**Core Assurance:** The key priorities and changes within the organisations during the period have been reflected within the proposed audit coverage for 2019 / 2020 and beyond. During the development of the internal audit plan the following key changes at the organisations were discussed:

### **Transform 2020**

In July 2018, the organisations took a radical look at what they did, and how they did it. This programme of work is called 'Transform 2020' and was undertaken by PwC. Transform 2020 considered the following workstreams:

- Enabling services
- Digital service
- Digital-connected workforce
- Skilled workforce
- Analytics
- Customer experience
- Continuous improvement and innovation
- Change management
- Operational policing model
- Public safety service.



X-Net have recently been appointed to support heads of department to implement phase one of Transform 2020.

### **Collaboration**

North Yorkshire Police and North Yorkshire Fire and Rescue have a long-standing ambition to improve efficiency and effectiveness and ensure that the organisations are delivering an exemplary service. As such, a formal collaboration to bring together the business support functions is currently underway called 'Enabled North Yorkshire'.

As part of this process staff who reported to the Police, Fire and Crime Commissioner, but did not form part of the Office of the Police, Fire and Crime Commissioner, transferred to the Chief Constable. Going forward accountability and reporting to the Police, Fire and Crime Commissioner will be the responsibility of the Chief Constable, Manager Director (of Enabled North Yorkshire) and Chief Fire Officer.

The Police, Fire and Crime Commissioner has ambitious collaboration plans as detailed in her Police and Crime Plan (2017 / 2021) to reach out to partners and drive innovation forward to enhance policing, public protection, community safety and local justice services. A key initiative to this collaboration is working with Fire but the organisations are currently assessing the Evolve collaborative arrangement with neighbouring forces to determine if value for money is being achieved.

### **HMICFRS**

In 2017 North Yorkshire Police received an inadequate overall judgement in respect of crime-recording. The HMICFRS made a number of recommendations and areas for improvement. The force is in the process of addressing the recommendations and areas of improvement and are expecting the area to be revisited by the HMICFRS in February 2019.

### **Precept**

At the time of writing this internal audit plan the proposed Police Precept will increase by £23.95 per annum from 2018 / 2019 level for a band D property and the proposed Fire Precept will increase by £2.07 per annum from the 2018 / 2019 level for a band D property.

### **Fire and Rescue Internal Audit**

As part of the 2019 / 2020 internal audit plan we will work closely with Veritau Ltd who provide internal audit to the Fire Service.

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# 1. YOUR INTERNAL AUDIT PLAN

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 Police, Fire and Crime Commissioner for North Yorkshire and the Chief Constable of North Yorkshire in the year ahead, including changes within the sector.

## 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 senior management and the Joint Independent Audit Committee.

Figure A: Audit considerations – sources considered when developing the Internal Audit Strategy.



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

## 2. INTERNAL AUDIT PLAN 2019 / 2020

The table below shows each of the reviews that we have discussed with management for potential inclusion as part of the internal audit plan for 2019 / 2020. The table details the principal / strategic risks and Police and Crime Plan priorities which may warrant internal audit coverage. This review of your risks allows us to ensure that the proposed plan will meet the organisations' assurance needs for the forthcoming and future years. As well as assignments designed to provide assurance or advisory input around specific risks, the strategy also includes: time for tracking the implementation of actions and an audit management allocation.

Objective of the review	Days	Proposed timing	Proposed Joint Independent Audit Committee
<b>Principal risks / Police and Crime Plan (2017 / 2021)</b>			
<i>Principal risk: ability to recruit and retain talent in specialist areas.</i>	12	18 <sup>th</sup>	March 2020
<i>Principal risk: withdrawal of statutory officer resource if provided to North Yorkshire through a collaboration agreement presents a continuity issue.</i>		November 2019	
<i>Police and Crime Plan priority: enhancing the customer experience and ambitious collaboration.</i>			
<b>Human Resource Management and Succession Planning</b>			
Review of the HR transformation undertaken as part of the Transform 2020 review. The exact nature of the scope will be agreed with management during the course of the year. This will also include a review of the arrangements in place to ensure that when a statutory officer is unavailable the organisations are able to operate as intended.			
<i>Principal risk: ability to maintain I.T provision</i>	8	18 <sup>th</sup>	March 2020
<i>Police and Crime Plan priority: reinforcing local policing</i>		November 2019	
<b>IT</b>			
Review of the digital transformation undertaken as part of the Transform 2020 review. The exact nature of the scope will be agreed with management during the course of the year.			
<b>Strategic risks</b>			
<i>Strategic risk: comprised ability to effectively deliver justice of crime as a result of case file quality issues.</i>	12	12 <sup>th</sup> August 2019	November 2019
<b>Criminal Disclosure</b>			
The disclosure process is a statutory duty under the Criminal Procedures and Investigations Act and its code of practice. Our testing will be directed following discussions with management.			
<i>Strategic risk: management and storage of exhibits and crime files.</i>	15	10 <sup>th</sup> June 2019	July 2019
<b>Seized Exhibits / Cash Spot Checks</b>			

Objective of the review	Days	Proposed timing	Proposed Joint Independent Audit Committee
<p>We will ensure that seized cash / exhibits are received, handled and managed in a clear and transparent way and recorded accurately on Niche.</p> <p>We will focus on exhibits / cash held in temporary stores for a prolonged period that should be transferred to the main store at York.</p>			
<b>Core Assurance</b>			
<p><b><u>Transform 2020</u></b></p> <p>Review of the control framework for procurement and creditors to ensure all key controls are included.</p>	7	29 <sup>th</sup> April 2019	July 2019
<p><b><u>Victims' Code</u></b></p> <p>Our review will focus on providing assurance that the force is complying with its statutory obligations under the revised Victims – Code of Compliance issued in December 2013.</p>	8	13 <sup>th</sup> January 2020	March 2020
<p><b><u>Misconduct and Disciplinary Process</u></b></p> <p>We will consider the application of force procedures for misconduct and disciplinary processes against represented and under-represented groups to ensure a consistent approach is applied.</p>	12	23 <sup>rd</sup> September 2019	November 2019
<p><b><u>Integrated Offender Management</u></b></p> <p>The force has recently refreshed its approach to IOM following a review undertaken by internal audit in 2017 / 2018. Our review will consider the changes made and the engagement with partners.</p>	8	29 <sup>th</sup> April 2019	July 2019
<p><b><u>Risk Management</u></b></p> <p>In 2017 / 2018, our colleagues from our risk and governance advisory team worked with the organisations' management in relation to the development of strategic risks through a workshop.</p> <p>Following on from this review and the removal of the Corporate Risk Group from the organisations' governance structure, will consider how the organisations' risk management arrangements are triangulated and are linked to the achievement of the Police, Fire and Crime Commissioner's priorities.</p>	10	13 <sup>th</sup> January 2020	March 2020
<p><b><u>Human Resources: Wellbeing</u></b></p> <p>North Yorkshire Police has a duty to protect the health, safety and welfare of its police officers and police staff members. With the potential of PTSD issues rising, we will consider the framework in place to refer staff for support and capacity of the in-house service.</p>	6	12 <sup>th</sup> August 2019	November 2019

<b><u>Positive Action Plan</u></b>	5	1 <sup>st</sup> July 2019	November 2019
The force has a range of initiatives to actively encourage individuals from under-represented groups. We will carry out a follow up review to determine how the force is progressing against the attraction, recruitment, progression and retention toolkit.			
<b><u>Vetting</u></b>	6	8 <sup>th</sup> April 2019	July 2019
The police vetting: code of practice sets out the vetting standards which are applied by police forces. A lack of retrospective stricter criminal record and background checks of police officers and civilian staff has recently been flagged nationally.			
<b>Other Internal Audit Activity</b>			
<b><u>Follow Up of Previous Internal Audit Management Actions</u></b>	8	19 <sup>th</sup> August 2019 and 13 <sup>th</sup> January 2020	November 2019  March 2020
To meet internal auditing standards, and to provide assurance on action taken to address recommendations previously agreed by management.			
<b><u>Management</u></b>	13	Throughout the year	N/A
This will include: <ul style="list-style-type: none"> <li>• Annual planning;</li> <li>• Preparation for, and attendance at, Joint Independent Audit Committee;</li> <li>• Regular liaison and progress updates;</li> <li>• Liaison with external audit and other assurance providers; and</li> <li>• Preparation of the annual opinion.</li> </ul>			
<b>Total:</b>	<b>130</b>		

A detailed planning process will be completed for each review, and the final scope will be documented in an Assignment Planning Sheet. This will be issued to the key stakeholders for each review.

## 2.1 Working with other assurance providers

The Joint Independent 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 organisations.

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

# APPENDIX A: YOUR INTERNAL AUDIT SERVICE

Your internal audit service is provided by RSM Risk Assurance Services LLP. The team will be led by Daniel Harris as your Head of Internal Audit, supported by Angela Ward as your Senior Manager and Philip Church as your Client Manager.

## Core team

The delivery of the 2019 / 2020 audit plan will be based around a core team. However, we will complement the team with additional specialist skills where required and subject to this being possible in line with the skill mix quoted in our tender. This can be determined once management have considered this draft plan and provided further guidance on priority areas.

## 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.

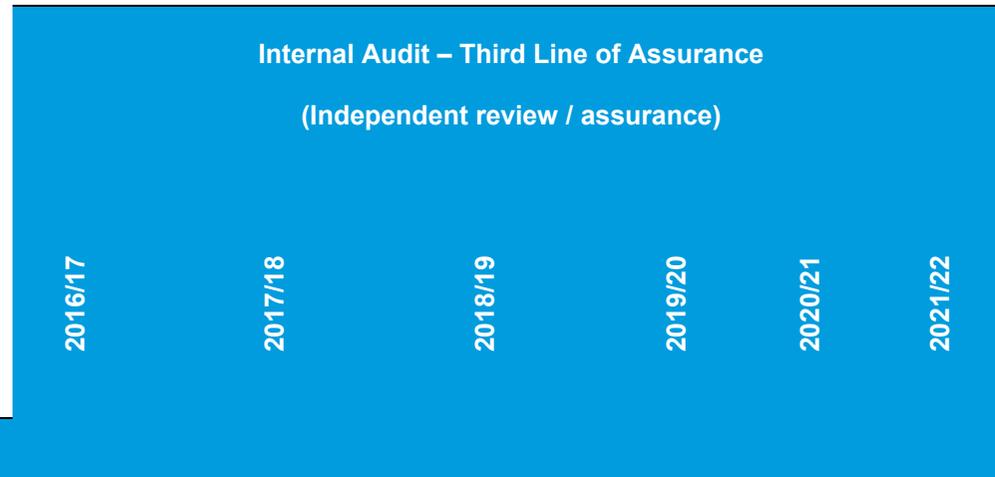
## Conflicts of interest

We are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under internal auditing standards.

# APPENDIX B: INTERNAL AUDIT STRATEGY 2019 / 2022

The table below shows an overview of the audit coverage to be provided through RSM's delivery of the internal audit strategy. This has been derived from the process outlined in Section 1 above, as well as our own view of the risks facing the sector as a whole.

Assurance Provided	
	Red - Minimal Assurance / Poor Progress
	Amber/red - Partial Assurance / Little Progress
	Amber/green - Reasonable Assurance / Reasonable Progress
	Green - Substantial Assurance / Good Progress
	Advisory / AUP
	IDEA



## Audit Area

### Principal risks / Police and Crime Plan (2017 / 2021)

Ability to recruit and retain talent in specialist areas.	HR: Training	Human Resources: Recruitment	Human Resources Management: Sickness Absence	✓
An ability to respond to statutory responsibilities as police service due to an environment of reducing financial resources, increasing demand, and allocating limited resources in a cost effective value for money way.				✓
Withdrawal of statutory officer resource if provided to North Yorkshire through a collaboration agreement presents a continuity issue.				✓
Failure to ensure effective financial control and financial planning processes.				✓

Assurance Provided	
	Red - Minimal Assurance / Poor Progress
	Amber/red - Partial Assurance / Little Progress
	Amber/green - Reasonable Assurance / Reasonable Progress
	Green - Substantial Assurance / Good Progress
	Advisory / AUP
	IDEA

Internal Audit – Third Line of Assurance (Independent review / assurance)					
2016/17	2017/18	2018/19	2019/20	2020/21	2021/22

**Audit Area**

A significant operational event that overwhelms the organisations ability to provide service. ✓

Ability to maintain I.T provision. IT Network Security and Disaster Recovery ✓ ✓

Unable to reliability measure the ration of contribution against of cross sector collaborative effort. Collaborations - Odyssey ✓

**Strategic risks**

Lack of change capacity impacts deliver of ICT change programme. ✓

Standards of data recording. Data Quality (including Governance) Data Quality CDI Crime Integrity Action Plan ✓ ✓

PSD changes. ✓

Compromised ability to effectively deliver justice of victims of crime as a results of case file quality issues. ✓

Assurance Provided	
	Red - Minimal Assurance / Poor Progress
	Amber/red - Partial Assurance / Little Progress
	Amber/green - Reasonable Assurance / Reasonable Progress
	Green - Substantial Assurance / Good Progress
	Advisory / AUP
	IDEA

Internal Audit – Third Line of Assurance (Independent review / assurance)						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22

Audit Area						
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Management and storage of exhibits and crime files.	Seized Cash Spot Checks	Exhibits – Seizure, Storage and Disposal of Controlled Drugs		✓	✓	✓
Lack of mature ISMS could lead to a data breach of confidential information.			SharePoint Security			✓
Immature project management throughout NYP could result in failed projects and outcomes that do not provide value for money.					✓	✓
Limited storage capacity for MAUDS may result in data loss and reduced functionality.					✓	

**Core Assurance**

Risk Management				✓		
Bail Management						
Commissioning			North Yorkshire Justice Service			

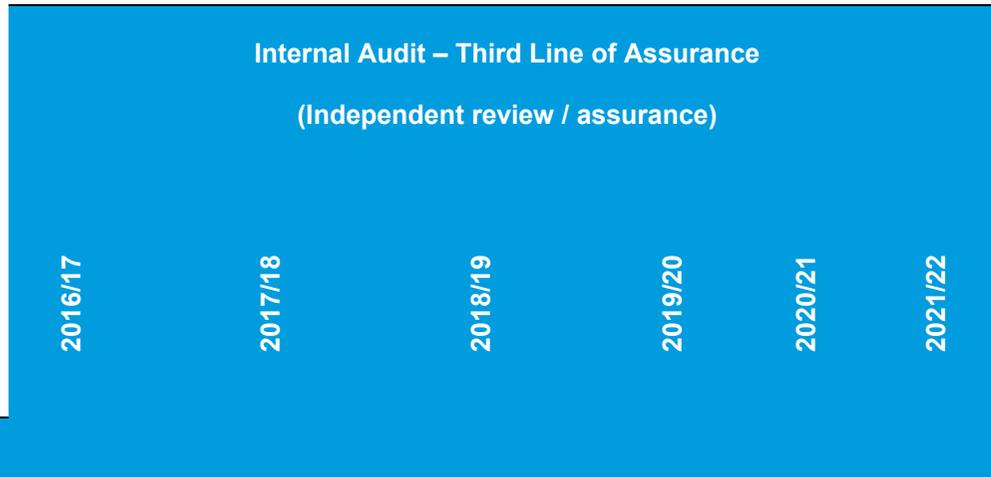
Assurance Provided	
	Red - Minimal Assurance / Poor Progress
	Amber/red - Partial Assurance / Little Progress
	Amber/green - Reasonable Assurance / Reasonable Progress
	Green - Substantial Assurance / Good Progress
	Advisory / AUP
	IDEA

Internal Audit – Third Line of Assurance (Independent review / assurance)					
2016/17	2017/18	2018/19	2019/20	2020/21	2021/22

Audit Area					
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GDPR		GDPR	Subject Access Requests		
			Freedom of Information Requests		
Key Financial Controls	Key Financial Controls: Creditors, Debtors, Cash & Bank and Investments	Chief Officer and Independent Custody Visitors' Expenses	Key Financial Controls	✓	✓
	Chief Officer Salaries, Allowances and Expenses	Key Financial Controls: Fixed Assets			
Police and Crime Plan				✓	
Positive Action Plan				✓	
Vetting				✓	

Assurance Provided	
	Red - Minimal Assurance / Poor Progress
	Amber/red - Partial Assurance / Little Progress
	Amber/green - Reasonable Assurance / Reasonable Progress
	Green - Substantial Assurance / Good Progress
	Advisory / AUP
	IDEA



**Audit Area**

Transparency Specified Information Order						
Estates including transport					✓	
Human Resources				✓		
Victims' Code				✓		
Integrated Offender Management				✓		
Shift Patterns – Force Control Room						
Community Safety Partnership Funding						
Automatic Number Plate Recognition						
Transform 2020				✓	✓	✓
Procurement					✓	
Overtime, Bonus and Honorarium Payments						
Complaints						

Assurance Provided	
	Red - Minimal Assurance / Poor Progress
	Amber/red - Partial Assurance / Little Progress
	Amber/green - Reasonable Assurance / Reasonable Progress
	Green - Substantial Assurance / Good Progress
	Advisory / AUP
	IDEA

**Internal Audit – Third Line of Assurance**  
(Independent review / assurance)

Audit Area	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Digital Forensic Unit Quality and ISO17025 Internal Audit Compliance						
Annual Petty Cash Check						
Chief Officer Salaries, Allowances and Expenses						
Mobile Working						✓
Firearms					✓	
NICHE						✓
Misconduct and Disciplinary Process				✓		
Management of Police Information (MoPI) MMI Project						
Follow Up of Previous Internal Audit Recommendations – visit 1				✓	✓	✓
Follow Up of Previous Internal Audit Recommendations – visit 2				✓	✓	✓

# APPENDIX C: INTERNAL AUDIT CHARTER

## Need for the charter

This charter establishes the purpose, authority and responsibilities for the internal audit service for the Police, Fire and Crime Commissioner for North Yorkshire and the Chief Constable of North Yorkshire. 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 Joint Independent 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. 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.

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

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## Independence and ethics

To provide for the independence of internal audit, its personnel report directly to Daniel Harris (acting as your Head of Internal Audit). The independence of RSM is assured by the internal audit service reporting to the Police, Fire and Crime Commissioner and the Chief Constable, with further reporting lines to the Chief Finance Officer, Police, Fire and Crime Commissioner and the Chief Finance Officer, the 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 the Police, Fire and Crime Commissioner for North Yorkshire and the Chief Constable of North Yorkshire. 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 Joint Independent 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 Joint Independent Audit Committee. Equally we do not want the organisations 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 Joint Independent 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 Joint Independent 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.

For clarity, we have included the definition of 'internal audit', 'senior management' and 'board'.

- Internal audit – a department, division, team of consultant, or other practitioner (s) that provides independent, objective assurance and consulting services designed to add value and improve an organisation's operations. The internal audit activity helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.
- Senior management team (delete as appropriate / update to reflect client terminology) who are the team of individuals at the highest level of organisational management who have the day-to-day responsibilities for managing the organisation.

- Joint Independent Audit Committee - The highest level governing body charged with the responsibility to direct and/or oversee the organisation's activities and hold organisational management accountable. Furthermore, "board" may refer to a committee or another body to which the governing body has delegated certain functions (e.g. an audit committee).

## Client care standards

In delivering our services we require full cooperation from key stakeholders and relevant business areas to ensure a smooth delivery of the plan. We proposed the following KPIs for monitoring the delivery of the internal audit service:

- Discussions with senior staff at the client take place to confirm the scope four 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 at least 10 working days before the commencement of the audit fieldwork to confirm practical arrangements, appointments, debrief date etc.
- 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.
- Draft reports will be issued within 10 working days of the debrief meeting and will be issued by RSM to the agreed distribution list / Sharefile.
- Management responses to the draft report should be submitted to RSM.
- Within three working 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.

## 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 Joint Independent 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 organisations.

The Head of Internal Audit and internal audit staff are not authorised to:

- Perform any operational duties associated with the organisations.
- Initiate or approve accounting transactions on behalf of the organisations.
- 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 Joint Independent 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 Joint Independent 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 organisations during the year are part of the framework of assurances that assist the Joint Independent Audit Committee in taking decisions and managing its risks.

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

## **Quality Assurance and Improvement**

As your external service provider of internal audit services, we have the responsibility for maintaining an effective internal audit activity. Under the standards, internal audit services are required to have an external quality assessment every five years. In addition to this, we also have in place an internal quality assurance and improvement programme, led by a dedicated team who undertake these reviews. This ensures continuous improvement of our internal audit services.

Any areas which we believe warrant bringing to your attention, which may have the potential to have an impact on the quality of the service we provide to you, will be raised in our progress reports to the Joint Independent Audit Committee.

## **Fraud**

The Joint Independent Audit Committee recognises that management is responsible for controls to reasonably prevent and detect fraud. Furthermore, the Joint Independent 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 Joint Independent Audit Committee is also approving the internal audit charter.

# FOR FURTHER INFORMATION CONTACT

**Daniel Harris**

Head of Internal Audit

## **RSM Risk Assurance Services LLP**

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## **rsmuk.com**

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of the **Police, Fire and Crime Commissioner for North Yorkshire** and the **Chief Constable of North Yorkshire**, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. 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 and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.