



JOINT INDEPENDENT AUDIT COMMITTEE



Annual Assurance Report 2017 from the Joint Independent Audit Committee to the PCC for Thames Valley and the Chief Constable of Thames Valley Police

Introduction

This Annual Assurance Report 2017 explains how the Committee has complied with each of its specific responsibilities, referred to in Appendix 1, during the last twelve months covering the period December 2016 to December 2017.

The Committee's last annual report, presented to the PCC and Chief Constable at the Joint Independent Audit Committee meeting held on 15th December 2016, provided an assurance opinion that the risk management and internal control environment in Thames Valley Police (TVP) and the Office of the Police and Crime Commissioner (OPCC) was operating efficiently and effectively. However, we did state that we would continue our scrutiny around ICT and its impact on force change management, the delivery of force financial performance and operational effectiveness. We will explore these issues in more detail later in this report.

Financial management

We received and reviewed the separate Statement of Accounts for 2016/17 for the PCC & Group and the Chief Constable at our special meeting on 27th July 2017, together with the external auditor's 'Audit results report for the year ended 31st March 2017'.

We note with approval that the external auditor, Ernst & Young, issued an unqualified audit opinion and an unqualified value for money conclusion for both the PCC and Chief Constable. It was also pleasing to hear from the external auditor that TVP were one of their first clients nationally, including local policing bodies, to have their 2016/17 accounts formally closed and signed-off, and that this, they considered, was due to excellent project planning within and between the OPCC and Force Finance Departments and their effective working relationship with external audit staff. We received the Annual Audit Letter on 12th September.

Last December [2016] we received a draft copy of the Annual Treasury Management Strategy Statement for 2016/17 which we reviewed and scrutinised robustly, before it was formally approved by the PCC in January 2017. We considered and noted the annual treasury report for 2016/17. This report explained how officers had complied with the annual treasury strategy statement. We were reminded that regular progress reports during the year were presented to the PCC and Chief Constable rather than the Committee.

Having considered all the information available to us we are satisfied that both the PCC's Chief Finance Officer and the Force Director of Finance have the necessary capability and capacity to ensure the proper administration of the PCC's and Force's financial affairs. Indeed, the experience and skills of the two individuals concerned, and the teams they lead, have been of real benefit to the PCC and the Force and we commend their efforts.

We were pleased to note that, in November 2017, TVP was one of only two forces nationally to be awarded an overall grading of 'Outstanding' by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in their PEEL Police Efficiency (Including leadership) Inspection 2017.

Internal control and governance

As a result of serious concerns identified and raised in previous year's assurance report, we have continued to retain a close interest in, and scrutiny of, the transformation of the ICT systems and infrastructure.

In December 2016 we received an ICT Transformation and Delivery Update which provided helpful sections on the ICT 2020 Vision and the IT and Business Change programmes. This report evidenced that positive progress was visible across the ICT business areas. The recent HMIC PEEL reports for TVP and Hampshire Constabulary (HC) had commented specifically on the ICT strategy and how it is fully aligned and supporting the Force's objectives. It confirmed that progress in this area was good and that the governance and oversight was ensuring that it continues to support the organisations good delivery.

We received a further ICT update in March 2017. This report highlighted the fact that the Chair of JIAC had attended the ICT 2020 Board, the Force Transformation Board and had one-to-one meetings with the Director of Information regarding IT business areas. This had provided a useful forum to ensure there was an effective engagement and understanding between IT department, force change and the audit business area.

In our last (2016) annual report we stated that one of our priorities for 2017 will be to keep a close eye on ICT given its impact on the business and the risks associated. We have done so diligently up to and including the September meeting when the Committee concluded that the level of oversight and monitoring now in place was sufficient to redress our original concerns regarding the lack of governance on ICT performance and that a detailed report to each meeting was no longer required.

In June we received an annual report from the Director of Information, as the Senior Information Risk Owner (SIRO), which provided a summary across HC and TVP for the information assurance and information governance during 2016/17 to provide assurance that information risks were being managed effectively and highlighted some of the key decisions that had been escalated to the SIRO during the year.

In September we received a helpful and timely report on the Joint ICT Department's response to the recent Wannacry Malware incident that had attacked certain NHS Trust computer systems. It was reassuring to note that there had been no occurrence of the

malware in either the HC or TVP environments during or post the event which showed that there are resilient and good processes in place to ensure such an issue cannot readily take place within the Force infrastructure. The response from the Joint ICT department and the security systems in place was timely, relevant and good overall which endorses confidence that had the malware originally not been patchable, the vast majority of the ICT estate would have up to date antivirus signatures and could have changes to infrastructure and boundaries checks made quickly.

In September, the PCC reported to us that he will not be actively pursuing any governance changes, with the three fire and rescue authorities, in the foreseeable future.

In addition to receiving update reports on ICT we have also attended appropriate meetings of the ICT 2020 Vision Board and Force Transformation Board to see, for ourselves, the action being taken to ensure that the agreed 5 year ICT strategy, and other key projects and programmes are being managed effectively. We remain an observer on the joint Hampshire/TVP Bilateral Governance Board.

In March 2017 we considered and scrutinised the updated Framework for Corporate Governance which included the Statement of Corporate Governance, the Joint Code of Corporate Governance for the PCC and Chief Constable, and the Scheme of Corporate Governance which included Financial and Contract Regulations. Following a major re-write during 2016, only minor amendments were required this year to ensure that it remained relevant and fit for purpose.

In March we received an initial draft of the 2016/17 Annual Governance Statement (AGS) for consideration. Accepting that further work would be required before the AGS was finalised in May for inclusion in the annual Statement of Accounts, we recommended that all statements within the AGS be validated for accuracy before the final version is published.

We received an updated AGS for consideration and endorsement at our meeting in June. It was pleasing to note that following a review of the effectiveness of the present governance arrangements there were no significant governance issues that required immediate attention nor were there any potential issues that may have an adverse impact on the internal control environment during 2017/18.

We received a report in December 2016 which outlined progress against the four potential issues in the 2015/16 AGS action plan and a further update in March 2017.

In June we received a report on the Force's new Governance and Service Improvement department. We were advised that the Priority Based Budgeting programme had identified an opportunity to review and redesign the delivery of strategy, governance, change and service improvement at force level to better inform decision-makers and drive activity across the organisation. The new department, which had been introduced in April, had the overarching aim of transforming the delivery of corporate and policing strategy, enabling good governance, co-ordinating strategy, prioritising the delivery of change and ensuring continuous service improvement. It was good to meet the new heads of department who would be responsible for delivering these outcomes.

At the same meeting we also received a Change Programmes and benefits overview report which explained which programmes were currently underway, how they are managed and audited, how benefits are tracked and audited, how programme risks are managed, and plans for improving the way change programmes will be managed in future. The chair has been able to monitor the way these programmes are being managed through his attendance at the Force Transformation Board.

In her Annual Audit Letter, published in August 2017, the external auditor stated '*We are required to consider the completeness of disclosures in the PCC's and CC's annual governance statement, to identify any inconsistencies with the other information of which we are aware from our work, and consider whether it is misleading. We completed this work and did not identify any areas of concern.*'

Based on the information provided to the Committee during the last twelve months we can provide assurance that, to the best of our knowledge, the corporate governance framework within Thames Valley is operating efficiently and effectively.

Complaints, integrity and ethics

Force Oversight arrangements

In December 2016 we received the updated Anti-Fraud and Corruption Policy for consideration and endorsement. The key aim of this document is to help prevent fraud and corruption within TVP and the Office of the PCC. The policy will assist individuals and their line managers to ensure that their decisions and actions are both legal and appropriate, and could withstand scrutiny and review. The overall aim is to maintain the reputation and integrity of TVP and the PCC.

We continue to attend, as observers, the bi-monthly meetings of the Complaints, Integrity and Ethics Panel to ensure that the Chief Constable's arrangements for, and the PCC's oversight of, the proper handling of complaints made against the Force and consideration of other integrity and ethics issues are operating effectively in practice.

Corporate risk management

We have reviewed regular quarterly updates from both the Force and the Office of the PCC (OPCC) in terms of their strategic risk management systems and processes, supplemented by the annual report on Force Risk Management in June 2017.

This is an area of business we take very seriously, and question and challenge officers on a regular basis to ensure that we are sighted on all significant corporate risks and are satisfied that these risks are being dealt with in a timely, effective and appropriate manner.

Based on the information provided to the Committee during the last twelve months it appears that the organisational risks in both the OPCC and Force are being managed effectively and that there is appropriate capability for their respective published goals and objectives to be achieved efficiently and effectively.

Business continuity management

As with risk management we have considered quarterly updates from the Force on business continuity, supplemented by the annual report in June 2017. We have made various recommendations to officers in order to improve the appropriateness and usefulness of these reports and are pleased that these have been acted upon.

We are content that business continuity is treated as a serious issue by senior officers within the Force and that regular and practical exercises are undertaken in order to test business continuity planning and to provide learning opportunities for key staff.

We are satisfied that the business continuity management processes are operating efficiently and effectively in identifying issues and capturing organisational learning and there are no significant issues that we need to draw to your attention.

To strengthen further the Committee's oversight in this area, the JIAC also attends the bi-annual strategic business continuity meeting chaired by the DCC.

Internal audit

We received and endorsed the Internal Audit Strategy and Annual Plan 2017/18 at our meeting on 15th March 2017. We noted that that the annual plan included all relevant financial systems, as well as other business critical functional areas and activities. As in 2016, we were pleased to note an emphasis on ICT audits, looking at high risk functions and operations, with a move away from auditing projects and programmes

Although the costed audit plan does not include a specific allocation of days for use by the Committee, there is an extant agreement with the CC and PCC that the Committee may, at its discretion, draw on up to 10 audit days for its own specific use.

In June 2017 we received the annual report from the Chief Internal Auditor. We were pleased to note that all of the planned audits for 2016/17 were completed, subject to any in year changes to the originally approved plan. Of the 20 completed audits, 1 (5%) had received substantial assurance, 12 (60%) had received reasonable assurance and 7 (35%) had received limited assurance. It was pleasing to note the results of the additional sources of assurance that had been provided by independent internal functions or external bodies. Of the 14 sources identified, 7 (50%) were deemed to provide substantial assurance, 6 (43%) provided reasonable and only 1 (7%) provided limited assurance. We challenged robustly, with internal auditors and appropriate officers, the reasons for the reported shortcomings in the assurance levels for some reports and the completion of the associated action plans. Based on the reviews completed during the year, the opinion on the organisation's system of internal control was that key controls in place are adequate and effective, such that an assessment of reasonable assurance could be placed on the operation of the organisation's functions. The opinion demonstrates a good awareness and application of effective internal controls necessary to facilitate the achievement of objectives

and outcomes. There was, in general, an effective system of risk management, control and governance to address the risk that objectives are not fully achieved.

In March 2017 and September 2017 we received updates from the Chief Internal Auditor on progress with delivery of the annual internal audit plan, including a summary of key issues arising from recently completed audits. We continue to receive final audit reports which give us early sight of any key issues arising from completed audits that require management action. This is particularly useful for those few audits where limited or minimal assurance is given.

We have received and debated regular update reports each quarter on progress of agreed actions in internal audit reports. Although the number of overdue actions has started to increase in recent months, we are reassured that management continues to take the implementation of actions arising from internal audit reports very seriously. We shall, however, continue to monitor this situation rigorously in coming years.

In June the Committee received a report from the Chief Internal Auditor which explained the background and content of the Public Sector Internal Audit Standards and the Joint Internal Audit Teams compliance to the standards. The Committee were pleased to note the high level of compliance.

We are satisfied that the system of internal audit in Thames Valley is operating efficiently and effectively and there are no specific issues or areas of concern that we would wish to highlight to the PCC and/or Chief Constable.

External audit

In March 2017 the external auditor, Ernst & Young [EY], presented its joint audit plan for the PCC and Chief Constable for the financial year ending 31st March 2017. This explained the context for the audit, as well as outlining the auditor's process and strategy. EY highlighted the various risks to the financial statements. We were pleased to note that the audit fee for 2016/17 was held at the same cash level as in 2015/16.

At the special meeting on 27th July the External Auditor presented her Audit Results Report which summarised her audit conclusion in relation to the Group (i.e. PCC and Chief Constable) financial position and results of operations for 2016/17. This audit was designed to express an opinion on the 2016/17 financial statements for the PCC and Chief Constable, reach a conclusion on the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in the use of resources, and address current statutory and regulatory requirements. We were pleased to note that EY had not identified any significant errors or misstatements in the accounts and were able to issue an unqualified audit opinion. It was pleasing to note that the PCC (and TVP) had put in place proper arrangements to secure VFM in its use of resources. As in previous years we were informed that EY could not issue the final audit completion certificate due to delays at the Department for Communities and Local Government (DCLG) end in being able to submit the Whole of Government Accounts (WGA) work.

In August the External Auditor issued her Annual Audit Letter for the year ending 31st March 2017 to the PCC and Chief Constable which confirmed that she had issued an unqualified audit opinion in respect of the financial statements, an unqualified value for money conclusion and the audit completion certificate.

In terms of the financial statements and the year-end audit we are very pleased with the final outcome. We welcomed the efforts made by officers to close the accounts early again this year and were pleased to hear that TVP were one of the first local policing bodies nationally to have their 2016/17 accounts formally signed-off by external audit. This is an excellent achievement and one we hope can be continued and built upon as we move towards the statutory earlier closedown (31st May) and audit sign-off (31st July) for the 2017/18 accounts. We would also like to express our gratitude to the external auditors for their key role in the effective closedown and early audit sign-off process.

Future Audit Arrangements

In September 2016 we agreed a recommendation from the PCC and Chief Constable to opt in to the national scheme for auditor appointments led by Public Sector Audit Appointments (PSAA) – an independent, not-for-profit company, limited by guarantee and established by the Local Government Association.

The outcome of the tender process was announced in June. The contract has been awarded in six separate lots to different audit bodies. These new contracts will cover a five year period commencing with the audit of accounts for 2018/19. PSAA has an option to extend the contracts for a further two year period, to a total of seven years, should it choose to do so.

In September we were informed that Ernst and Young had been successful in winning a contract (Lot 2) in the procurement and PSAA had proposed appointing this firm for the auditor of the PCC and Chief Constable. We supported this recommendation and the PSAA and been notified accordingly. Although PSAA will consult on scale fees in due course, we were pleased to note that based on the results of the audit procurement, a reduction in scale fee of around 18% should be possible in 2018/19.

Health & safety and environment

We received the 2015/16 annual report last December. Whilst welcoming the information we sought additional information on comparative performance with other forces. We also expressed a wish to see activities relating to the continual improvement commitment in the Force Health Wellbeing and Safety Policy Statement.

We received the 2016/17 annual report in June which helped to document the progress being made in the continuous improvement of TVP policies and procedures for the effective management of health and safety. This year's report also included information and evidence in respect of wellbeing. We were pleased to note the continued reduction in total safety incidents and that TVP is one of the best performing forces nationally for RIDDOR.

Having requested information regarding the continual improvement commitment at the September meeting, we received the relative performance data and statistics via email on 14 September.

Equality, Diversity & Inclusion

In June 2017 we received the 2016/17 equality, diversity and inclusion annual report which showcased the achievements from the past 12 months and planned activities for 2017/18. The report covered the following areas: strategic governance, providing a service to diverse communities, recruitment and attraction, retention and progression, community recruitment and engagement, wellbeing; other equality and diversity activity and future plans which include focussed positive action such as career trackers for under-represented staff groups, reverse mentoring and achieving Disability Confident Committed Employer status.

Inspection and review

Her Majesty's Inspectorate of Constabulary, Fire and Rescue Service (HMICFRS) independently assesses police forces and policing across activity from neighbourhood teams to serious crime and the fight against crime – in the public interest. HMICFRS decides on the depth, frequency and areas to inspect based on their judgements about what is in the public interest.

We understand that the Chief Constable and his management team considers each report in detail, irrespective of whether it relates directly to Thames Valley Police and, where appropriate, agrees an appropriate action plan. We also understand that the PCC is required to consider and publish a response to each HMICFRS report relevant to Thames Valley Police. The Committee has asked to be provided with copies of the HMICFRS reports and responses of the PCC

As far as we know HMICFRS has not issued any report during the last twelve months that has specifically referred to assurance on the internal control environment and/or highlighted governance issues for the PCC and Chief Constable to consider.

General

We are pleased to report that the arrangements agreed three years ago, as set out below, are working effectively:

- Be regularly briefed by the Chief Constable and PCC on the full range of activities falling within our specific responsibilities and attend other relevant internal meetings
- Have direct access to the oversight of professional standards and ethics matters by regularly attending the Complaints, Integrity and Ethics Panel as an observer
- Attend any training and conference events that will ensure members are up to date with the policing landscape and audit requirements
- Attend as an observer the regular Force Performance meetings

Some members attended the CIPFA conference for Police Audit Committee members, discussing challenges faced by audit committees and proposed legislative changes that will impact on the work of audit committees. At the September 2017 CIPFA conference, the Chair and PCC's CFO were invited to give a joint presentation on their experiences of the JIAC at Thames Valley.

Over the year we had meetings with the Chief Constable, PCC and senior staff for relevant organisational and functional updates between formal JIAC meetings.

These briefings and invitations to attend internal Force meetings, coupled with the sharing of appropriate CCMT reports of interest, are raising our awareness and knowledge of legislative, policy or operational initiatives that are relevant to the Committee's remit, such as organisational structural changes, service delivery initiatives, and financial and service planning issues. In turn, this is improving our collective understanding of how the Force and OPCC governance arrangements and control environments are operating in practice.

JIAC Self-Assessment

A survey form was sent to all members of the JIAC in the form of a questionnaire. The detailed responses are shown in Appendix 1. Of the 14 sent, there were 10 responses. One non-respondent was the external auditor who gave a general positive comment about the working of the committee.

The key points arising from analysis are:

- A member with direct personal experience of running a law enforcement agency or emergency service organisation could add additional value.
- Need to work on better relationship with other key managers in the Force other than ICT by attending key meetings as observers
- Be helpful in that respect to be invited to force and PCC key internal conference/training as observers.
- Meetings should be planned for longer than 2 hours to allow for full debate on items which are lower in the agenda.
- The Chair has to ensure that debates do not drift into executive matters. At times questions and challenges are seen to be channelled through the chair, rather than direct from members.

JIAC operating principles

The Committee's current operating principles are shown in Appendix 2. These are consistent with those previously used in the member recruitment process.

Conclusions

The purpose of the Joint Independent Audit Committee is to provide independent assurance to the PCC and Chief Constable regarding the adequacy of the risk management framework and the associated control environment within Thames Valley Police and the Office of the PCC.

Constructive challenges over the past twelve months on a wide range of topics have given us greater access to information and meetings; the positive relationship with the PCC and the Chief Constable and senior staff has enabled us to contribute to improved audit, risk management and internal controls.

The year ahead (2018) will be a very challenging one when a number of leading edge digital policing developments will be brought into service. No doubt we will continue to seek answers on costs and business benefits. We will continue our scrutiny on force change management, the delivery of force financial performance and operational effectiveness.

We will remain alert to the extent to which TVP and the OPCC are exposed to risks, from whatever source that might weaken the control environment or otherwise adversely affect overall performance. The coming months will be extremely challenging, however – based on the information that we have seen collectively or know about individually we can assure the PCC and Chief Constable that the risk management and internal control environment in Thames Valley is operating efficiently and effectively.

We hope that this report with the assurances it contains will enhance public trust and confidence in the governance of TVP and the OPCC.

Joint Independent Audit Committee

Members:

Dr Louis Lee (Chairman)
Mr Richard Jones
Mrs Alison Phillips OBE
Dr Gordon Woods
Mr Michael Day

13 December 2017

Joint Independent Audit Committee Self-Assessment

Responses from JIAC members and those senior officers that attend Committee

1. Do JIAC members have the right experience and knowledge to serve the needs of the assurance requirements

Yes RJ, GW, AS, IT, PH, NS, FH, MD, AC

No

Partial

Members

- I feel we bring a range of experience, and three members have a number of years of experience working with TVP. A member with direct personal experience of running a law enforcement agency or emergency service organisation could add additional value.
- There is a diversity of backgrounds and skills on the Committee and these combine to provide thoughtful and relevant review and challenge. However, insight from employees and 'service users' would add an extra dimension.
- We need to be continually exposed to the real issues in TVP but our different backgrounds give a breadth of input

Officers

- Between them the 5 JIAC members have a wealth of knowledge and, when these skills are combined, they easily meet the person spec for the role.
- There is a good mixture of experience and knowledge on the JIAC.
- I think that the extension of JIAC to 5 members has provided better coverage of the experience and knowledge required.
- I think recent new members have led to an improved and holistic view and also ensured we have an organisational focus

2. Do members have knowledge of the organisation and can connect with key managers?

Yes GW, AS, IT, PH, NS, FH, MD, AC

No

Partial RJ

Members

- Regular meetings with CC and PCC, and senior officers and staff of the PCC are responsive by email between meetings.

- There was a thorough induction when the newest Committee members joined, but there are relatively few opportunities to maintain knowledge of the organisation and connect with key managers. For example, Committee members have not been invited to recent Force conferences.
- Although I have answered yes to this I think it is an area we need to work on, see above

Officers

- The 3 previous PA members obviously have more knowledge and experience than the two newer members, but they bring their own skills and attributes.
- The JIAC have a good level of knowledge of both OPCC and TVP, relevant to their role and remit. Members have a good relationship with senior managers.
- The benefit of having 3 members who have been associated with TVP for several years really helps in terms of knowledge and networks. There is always a risk of over-familiarity, but I think that the members are clear about their roles and keeping an appropriate distance.
- Though this could improve to areas beyond IT

3. Does the Chair manage meetings properly – focussed and allowing debate but reach a conclusion?

Yes RJ, GW, AS, IT, PH, FH, MD, AC

No

Partial NS

Members

- Meetings are well chaired; despite the volume of business at some meetings, I have never felt unable to raise a point or that we are failing to progress the business effectively.
- Louis is skilled in drawing colleagues into the discussion and maintaining an appropriate pace

Officers

- It would be better if members gave their own thoughts and comments on each agenda item rather than being channelled through the chair. The 2 hour time limit for meetings is self-imposed and not always to the benefit of effective business
- In the main, yes, although occasionally the later agenda items can be a little rushed if time is tight due to lengthy presentations or discussions on earlier agenda items.
- The chair manages the meetings effectively – making sure that items are covered in sufficient detail where necessary. The chair has an eye for detail and it is appropriate to delve into this until satisfied that policies and processes are working.

4. Does the JIAC stick to its remit, and avoid operational issues and scrutiny role?

Yes RJ, GW, AS, IT, PH, NS, MD, AC

No

Partial FH

Members

- I believe we stick to our remit, but should be prepared to ask questions about operational issues as part of our role.
- The Committee is able to identify high-level issues from operational issues
- We continually question whether we are drifting into operational issues.

Officers

- Mostly
- It the main yes, but at times it has felt as though the committee has gone beyond its remit and boundary when scrutinising all aspects of ICT and complaints in recent years.
- On the whole, the JIAC keep to their remit and role. Occasionally this can result in discussions verging on operational issues, but this can be a difficult balance to strike at times. Senior managers are good at clarifying discussions and supporting the committee to stay within their remit.
- There will inevitably be some drift (it is human nature) but I think we, collectively, are quite good at challenging where appropriate to get it back on track.

5. Is the JIAC remit known to senior management other than CCMT and PCC's executive?

Yes GW, AS, IT, MD, AC

No

Partial PH, NS, FH

? RJ

Members

- We have a wider range of officers and staff presenting to us than just CCMT and the PCC executives.
- It is unclear how visible (or invisible) the Committee is to senior leadership below chief officer ranks

Officers

- Senior management in the OPCC are aware of the JIAC but cannot comment on the Force.

- Sometimes only after their functional responsibilities become exposed to scrutiny by the Committee
- Some senior managers are aware of the JIAC role, but awareness could be better among others who do not have a high degree of involvement with the committee. The joint nature of the Committee could also be publicised better as a number of people still view it as an OPCC function.
- Answer based on the ICT SMT – not sure about other depts
- Exposure to JIAC is mainly concentrated on a few key people from a meeting's perspective, but there is probably better knowledge by attendance of members at Force / PCC meetings (as observers).

6. Are the actions from JIAC always taken on board and acted upon?

Yes GW, AS, IT, PH, NS, FH, MD, AC

No

Partial RJ

Members

- We recognise we are not an executive group, but rather exist to challenge and advise. When we ask for an update or a presentation, we either get one or an alternative approach is agreed.
- It would be a surprise if a confident and capable executive team always acted on audit committee recommendations, but there is consistently constructive engagement and the JIAC is respected and taken seriously

Officers

- Where possible.
- Yes, particularly when they are included in the Annual Assurance Report
- Sometimes after a delay (usually down to addressing and resolving competing operational priorities)
- The actions requested by the JIAC are acted upon, and where not felt appropriate, the necessary challenge is applied by senior managers at the OPCC or TVP.
- In the vast majority of cases – there will be somewhere circumstances change or further information comes to light, but I think there is a good discipline around actions.
- Mostly

7. Is the JIAC seen as supportive and persuasive?

Yes RJ, AS, IT, NS, FH, MD, AC

No PT

Partial GW

Members

- I believe we have a strong track record of working with TVP and the PCC, but look forward to seeing whether they continue to share this view.
- This question is better answered by the executive

Officers

- Yes, although it can be quite critical as well.
- Persuasive – Yes. Supportive – depends on circumstances (it will not always be the case that the Committee can be ‘supportive’ of individual responsible officers if it is exposing management and system weaknesses relating to individual officers)
- The JIAC is very supportive of the work we complete.
- JIAC should help to provide reassurance (or not) to the PCC and CC. So I would want it to be both supportive and challenging and I think we are achieving a good balance.

8. Is the JIAC adding value to the organisation and how?

Yes RJ, GW, AS, IT, PH, NS, FH, MD, AC

No

Partial

Members

- Acting as critical friends we look closely at the audit reports, accounts and other documents, providing a scrutiny on behalf of the taxpayer that no other body could do. Although the changes to the accounts, for example, that are prompted by our scrutiny, tend to be cosmetic rather than substantive, I believe that is a measure of the high quality products produced by Linda Waters, Ian Thompson and their teams. As an apolitical committee, I believe we offer constructive challenge on the level of organisational ambition, focusing on how well TVP is achieving its remit, rather than arguing about whether the remit set by the PCC is the correct one. Again, I look forward to seeing whether the PCC and CC and their teams agree.
- By providing independent assurance of the control framework within which a public service operates which may exercise significant power over citizens and which expends substantial public funds. By asking probing, sometimes difficult questions and opening up debate. By bringing a fresh, external perspective to these matters.
- Our challenge focusses and highlights issues of improvement e.g. IT

Officers

- Yes, it holds officers to account in an effective manner, particularly its focus on outstanding audit actions. Its annual assurance report is very powerful.
- By helping identify to management potential weaknesses in the organisational control environment to be addressed that might otherwise result in a corporate failure to plan, implement and deliver the 'right' strategies and services
- The JIAC adds value, within the confines of their remit and role. They provide a good level of challenge and support.
- Providing an independent view of processes and policies and how the force is managing risks. A good example was the oversight into the dismissal of the Head of ICT and following action.
- I think in IT we have introduced better practices prompted by JIAC

Joint Independent Audit Committee - Operating Principles

Statement of Purpose

- Our Joint Independent Audit Committee is a key component of the PCC and Chief Constable's arrangements for corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
- The purpose of the Committee is to provide independent assurance to the PCC and the Chief Constable regarding the adequacy of the risk management framework and the associated control environment within Thames Valley Police and the Office of the PCC. It will consider the internal and external audit reports of both the PCC and Chief Constable and advise both parties according to good governance principles. It has oversight of general governance matters and provides comment on any new or amended PCC policies and strategies with regard to financial risk and probity.
- These operating principles will summarise the core functions of the Committee in relation to the Office of the PCC and the Force and describe the protocols in place to enable it to operate independently, robustly and effectively.

The Committee will report directly to the PCC and the Chief Constable.

Committee Composition and Structure

The Committee will consist of five members who are independent of the PCC and Thames Valley Police. They will be appointed by the Chief Constable and the PCC (or their representatives).

The Chairman will be elected by the Committee on an annual basis.

The Committee will hold four formal meetings a year – in public - although there may be a requirement to hold additional meetings at short notice.

The PCC and Chief Constable will attend or be appropriately represented at formal meetings. Committee meetings will be held at key strategic times of the year to coincide with the budget process and publication of financial management reports and accounts:

1. **March** – to consider the Internal Auditor's Internal Audit Plan
2. **July** – to consider the various end of year report, the External Audit Plan and Fee, the Annual Governance Statement and the Statement of Accounts;
3. **September** – to receive the Annual External Audit Letter
4. **December** – to receive the Annual External Audit Letter and agree the Annual Assurance Report of the Committee.

The agenda, reports and minutes of all Committee meetings will be published on the PCC and Force websites. However, members of the press and public shall be excluded from a meeting whenever it is likely that confidential information will be disclosed. Confidential information is defined as:

- a) Information furnished to the Committee by a Government department upon terms (however expressed) which forbid the disclosure of the information to the public; and
- b) Information the disclosure of which to the public is prohibited by or under any enactment or by the order of a Court.

Methods of Working

The Committee will:

- Advise the PCC and Chief Constable on good governance principles
- Adopt appropriate risk management arrangements
- Provide robust and constructive challenge
- Take account of relevant corporate social responsibility factors when challenging and advising the PCC and Chief Constable (such as value for money, diversity, equality and health and safety)
- Be regularly briefed by the Chief Constable and PCC on the full range of activities falling within its specific responsibilities and attend other relevant internal meetings
- Have direct access to the oversight of professional standards and ethics matters by regularly attending the Complaints, Integrity and Ethics Panel as an observer
- Attend any training and conference events that will ensure members are kept up to date with the policing landscape and audit requirements
- Provide an annual assurance report to the PCC and Chief Constable

Specific responsibilities

The Committee has the following specific responsibilities:

Financial Management and Reporting

- Provide assurance to the PCC and Chief Constable regarding the adequacy of the arrangements, capacity and capability available to their respective chief finance officers to ensure the proper administration of the Commissioner's and Force's financial affairs.
- Review the Annual Statement of Accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit of the financial statements that need to be brought to the attention of the PCC and/or the Chief Constable.
- Consider the external auditor's report to those charged with governance on issues arising from the audit of the financial statements, and to give advice and make such recommendations on the adequacy of the level of assurance and on improvement as it considers appropriate.

Internal Control and Governance Environment

- Consider and endorse the local Code of Corporate Governance
- Consider and endorse the Annual Governance Statement (AGS)
- Monitor implementation and delivery of the AGS Action Plan
- Consider and comment upon the adequacy and effectiveness of the assurance framework, and the specific governance and accountability policies, systems and controls in place, such as the Corporate Governance Framework; anti-fraud and corruption; whistle-blowing, declarations of interest and gifts and hospitality.

Corporate Risk Management

- Consider and comment upon the strategic risk management processes; and
- Receive and consider assurances that organisational risks are being managed effectively and that published goals and objectives will be achieved efficiently and economically, making recommendations as necessary

Business Continuity Management

- Consider and comment upon business continuity management processes, and
- Receive and consider assurances that business continuity is being managed effectively and that published goals and objectives will be achieved efficiently and economically, making recommendations as necessary

Internal Audit

- Receive and consider the adequacy and effectiveness of the arrangements for the provision of the internal audit service
- Consider and comment on the Internal Audit Strategy and Plan
- Receive and review internal audit reports and monitor progress of implementing agreed actions
- Consider and comment upon the annual report of the Head of Internal Audit

External Audit

- Receive and review reports from the external auditors, including the annual audit letter and audit opinion
- Review the effectiveness of external audit
- Consider and comment upon any proposals affecting the provision of the external audit service
- Consider the level of fees charged, and
- To undertake the future role of the Independent Audit Panel, as set out in the Local Audit and Accountability Act 2014, including considering and recommending appropriate arrangements for any future appointment of External Auditors

Health & Safety

- Satisfy itself on behalf of the PCC and the Chief Constable that an adequate and effective policy and practice framework is in place to discharge legal duties in relation to health and safety. In particular, having regard to the safety, health and welfare of police officers and police staff, people in the care and custody of Thames Valley Police and all members of the public on police premises or property

Equality and Diversity

- Satisfy itself on behalf of the PCC and Chief Constable that an adequate policy and practice framework is in place to discharge statutory requirements in relation to equalities and diversity

Inspection and Review

- To consider any HMIC report that provides assurance on the internal control environment and/or highlights governance issues for the PCC and/or Chief Constable

Accountability Arrangements

- On a timely basis report to the PCC and the Chief Constable with its advice and recommendations in relation to any matters that it considers relevant to governance, risk management and financial management.
- Report to the PCC and the Chief Constable on its findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks; financial reporting arrangements and internal and external audit functions.
- On an annual basis to review its performance against its operating principles and report the results of this review to the PCC and the Chief Constable.