



JOINT INDEPENDENT AUDIT COMMITTEE



Annual Assurance Report 2021 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 2021 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 2020 to December 2021.

The Committee's last annual report, presented to the PCC and Chief Constable at the Joint Independent Audit Committee meeting held on 4th December 2020, 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.

This year has been particularly challenging due to the ongoing impact of Covid-19. All meetings have been held virtually via MS Teams.

In October, Dr Gordon Woods was re-elected Chairman of the Committee.

Financial management and reporting

We received and reviewed the separate Statement of Accounts for 2020/21 for the PCC & Group and the Chief Constable at our meeting on 22nd September 2021, together with the external auditor's 'Draft Audit results report for the year ended 31st March 2021'.

We were pleased to note the excellent progress in concluding the vast majority of the audit plan for 2020/21 but were disappointed to hear that our external auditor, EY, could not sign-off the accounts, and issue an audit certificate, due to delays in receiving appropriate assurance from Grant Thornton regarding their audit of the Buckinghamshire Pension Fund accounts.

We finally received notification from EY, on 19 November, that they had concluded their audit work and issued an unqualified audit opinion on the financial statements. We recognise that this has been an extremely challenging financial closedown and audit period, due to Covid-19, and commend the OPCC and Force Finance staff for their excellent project planning and continued effective working relationship with external audit staff.

We will receive and discuss the Annual Audit Report at our meeting on 17th December, which will include the Auditor's value for money (VFM) commentary.

In December 2020, March and June 2021 we received confidential updates on the Equip (ERP) programme and the ERP Strategic Risk. We noted the conclusion of this difficult project with legacy systems being replaced through the “Next Steps” programme.

In December 2020 we received a draft copy of the Annual Treasury Management Strategy Statement for 2021/22 which we reviewed and scrutinised robustly, before it was formally approved by the PCC in January 2021. We considered and noted the annual treasury report for 2020/21. This report explained how officers had complied with the annual treasury strategy statement. We were reminded of the established governance arrangements, 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 and achievements. We note that the PCC has succession-planning firmly in view, given the planned retirement date of his CFO.

Internal control and governance environment

In March, we received an initial draft of the 2020/21 Annual Governance Statement (AGS) for consideration. Although no significant governance issues had been identified the covering report explained the key issues that had been considered by the Governance Advisory Group before reaching this conclusion. Overall, we were happy to endorse the accuracy of the AGS for inclusion in the annual Statement of Accounts.

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 2020/21.

In March, we received the updated Framework for Corporate Governance for 2021/22, 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. Only minor amendments were required this year to ensure that it remained relevant and fit for purpose.

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 2020/21, 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 June we received a briefing on the Information Commissioners Office (ICO) audit outcome. The ICO is an independent regulator for data protection legislation and they are empowered by law to carry out compliance audits, which usually includes 6-8 police forces each year. Across the three audit scope areas a total of 83 risk controls were assessed. Their overall outcome was that Governance and Accountability was given limited assurance, but Information Risk Management and Personal Data Breach Management were both awarded reasonable assurance. The force were working through the Action Plan and had completed a third of the actions at that time, with the rest due to be delivered over the next six months. We requested a meeting with officers to discuss the areas of limited assurance in more detail.

In October we received a report which highlighted the arrangements in place to secure value for money. We noted the level of cash savings that had been successfully removed from the base revenue budget over the last 9 years and noted that in September 2019 HMICFRS published its Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection report for 2018/19 in which it rated TVP as 'Good' overall.

In December 2020 we received the updated Anti-Fraud, Bribery and Corruption Policy. This policy, which is formally reviewed every two years, sets out a broad systemic approach to creating the right cultures and practices in the organisation. In October we received a written briefing on the work of the TVP Counter Corruption Unit but, due to the presenter being absent, we have deferred consideration of this report until December. In October we received an updated report on the work of the Counter Corruption Unit but consideration of this paper was deferred until December.

In October we received a report and presentation on the governance and assurance arrangements in place for significant partnerships and/or collaborations involving TVP. We are satisfied that these governance and assurances arrangements are adequate and effective for their given purposes. Given that these arrangements are fairly fixed we agreed that reporting should be 'by exception' in future years.

As and when appropriate during the year we attended meetings of the Force Transformation Board to see, for ourselves, the action being taken to ensure that key projects and programmes are being managed effectively. We remain an observer on the joint Hampshire/TVP Bilateral Governance Board.

Throughout 2020 we sought and received regular written and oral updates on Equip, the new Enterprise Resource Planning (ERP) programme, which provided information on the technical progress with development and implementation across the three collaborating forces (Surrey, Sussex and TVP), the tri-force programme governance arrangements and recent programme audit findings. However, in December 2020 we were informed that, in the best interests of all three forces, the programme should draw to a conclusion the arrangement with the external partners. We challenged the Force over this decision, particularly in respect of financial management and the ongoing risks to TVP in terms of service delivery. In March we received a comprehensive update on work to conclude the Equip programme as well as the "Equip Next Steps Detailed Options Analysis" which included information on tactical upgrades to key legacy systems and the management of key

business risks. We continue to monitor implementation of the the Next Steps programme through attendance at the Force Transformation Board. We look forward to receiving the report on lessons learnt at our meeting on 17th December 2021.

We will receive and consider the external auditor's Annual Audit Report at our meeting on 17th December, which will include their VFM commentary for 2020/21.

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.

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. 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.

We have received reports and oral updates to support enhanced risk assurance and governance during the Covid-19 period, considering existing and new strategic risks as well as the most significant operational risks. We were informed which risks were being treated, as well as those tolerated. At the start of the year we paid particular attention to the risks and issues around Equip and the Next Steps programme.

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

We have received regular quarterly updates from the Force on business continuity, including incidents and exercises.

We are content that business continuity is treated as a serious issue by senior officers within the Force and that previous learning has been used to good effect during the prolonged Covid-19 period.

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.

Internal audit

In June we received the annual report from the Chief Internal Auditor. We were pleased to note that, despite the significant challenges posed by Covid-19 pandemic, the 2020/21 Joint Internal Audit Plan had been completed in full. Of the 18 completed audits, 5 (28%) had received substantial assurance, 9 (50%) had received reasonable assurance, and 4 (22%) had received limited assurance. No audit received minimal 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 7 sources identified 5 (71%) were deemed to provide substantial assurance and 2 (29%) were deemed to provide reasonable assurance. No source of external assurance was deemed to provide limited or minimum assurance. We are pleased that the audit programme continues to return a range of assurance levels, this is a reflection of both the independence of the process and its effectiveness in targeting a cross section of matters within the Force and OPCC.

We received and endorsed the Internal Audit Strategy and Annual Plan 2021/22 at our meeting on 19th March 2021. We noted that the annual plan included all relevant financial systems, as well as other business critical functional areas and activities. We were pleased to note the wide range of audit activity, looking at high-risk functions and operations across both organisations.

Although the resourced 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. We did not need to use this facility during 2021.

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 and October 2021 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 also received details of the team's next external Public Sector Internal Audit Standards assessment, which will take place during 2022.

We have received and debated regular update reports each quarter on progress of agreed actions in internal audit reports. We are pleased that the number of outstanding audit actions is on a downward trend, but we believe that the number is still too high. We hope that

management is able to demonstrate that it continues to take the implementation of actions arising from internal audit reports very seriously and we shall continue to monitor this situation rigorously in coming years.

We continue to have confidential access to the Chief Internal Auditor and his team to discuss both specific actions and the context of the Audit programme in TVP/PCC and gain good assurance from these conversations.

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 the external auditor, EY, presented its outline audit plan for the PCC and Chief Constable for the financial year ending 31st March 2021. This explained the context for the audit, as well as outlining the auditor's process and strategy. EY explained that there would be two new areas of audit focus i.e. accounting for Covid-19 related grants and accounting for personal protective equipment (PPE). In terms of VFM risk their main area of focus would be on the arrangements that PCC and CC has in place in relation to financial sustainability in light of the decision to exit the Equip programme. The scale fee for 2020/21 was the same as in 2019/20 (£45,652) but they were unable to agree the total fee level for 2020/21 due to the new areas of audit focus mentioned above.

In June we received an oral update from EY on progress with the audit of the 2020/21 accounts. They received the draft accounts on 7th June and their audit work was progressing well. At the time they planned to complete their work by the end of July, but they did state that this would subject to the timely receipt of information from Grant Thornton in respect of the Local Government Pension Fund as administered by Buckinghamshire Council.

Due to a delay in receiving this information from Grant Thornton, the Committee's meeting on 30th July to receive the Draft Audit Results Report was cancelled and rescheduled for 22nd September. At that meeting we received a report on the Statement of Accounts for 2020/21 and the External Auditor's presented his Draft Audit Results Report which summarised his preliminary audit conclusion in relation to the Group (i.e. PCC and Chief Constable) financial position and results of operations for the year ended 31st March 2020. Subject to completing the outstanding audit matters, as set out in the report, he intended to issue an unqualified audit report before the statutory deadline of 30th September. The outstanding audit matter primarily related to the receipt of the IAS audit assurance letter from Grant Thornton.

This audit was designed to express an opinion on the 2020/21 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 planning to issue an unqualified audit opinion on the financial statements.

Unfortunately, due a delay in receiving the IAS 19 assurance report from Grant Thornton, which then required a last minute change to the accounts, we finally received notification from EY, on 19th November, that they had concluded their audit work and issued an unqualified audit opinion on the financial statements.

In respect of Value for Money (VFM) EY had identified the exit from Equip (ERP) as a risk of significant weaknesses. However, in the final Accounts Audit Report they concluded that “No issues were identified on review of how the Authority managed the withdrawal of the Equip contract”. We look forward to receiving their more detailed VFM commentary in the Annual Audit Report.

We will receive and consider the Annual Audit Report on 17th December and will pay particular attention to his comments and conclusions on the PCC (and TVP) arrangements to secure VFM in its use of resources.

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, despite the obvious challenges of Covid-19, which was an excellent achievement. We recognise that the accounts were not signed-off before the statutory deadline of 30th September but this was totally outside our control. As such would like to express our gratitude to the external auditors for their key role in the effective closedown and audit sign-off process.

Both the audit partner and audit manager moved on to new roles during this period, and the committee will continue to maintain focus on the value external audit brings to the force and the PCC.

People Services

In December 2020 we received a short briefing note from the Director of People which provided an overview of performance, year to date, against the Force Delivery Plan (People Directorate led actions) and other key areas of service delivery.

This was followed up by a full overview report at our meeting on 19th March. We were pleased to note the positive outcomes being achieved in terms of additional police officers and the measures being put in place to increase diversity across the workforce, as well as the new initiatives to improve health, safety and wellbeing. We challenged the Director of People robustly on how the People Strategy would be implemented and the impact it would have on the workforce and operational decision making. The Committee recognised that while many aspects of day-to-day people management have been strengthened, there is not yet a longer term business strategy in place. We note that one is under development, and look forward to further detail, including its linkage to multi-year people planning. We will maintain a close interest in this key area of risk for the force.

Health & Safety

In June we received a summary report on the principal activities and outcomes relating to the promotion and management of Health & Safety (H&S) Management in TVP during 2020/21. Irrespective of whether Covid-19 had arisen or not, the paper fell short of what was required to enable the Committee to provide assurances. As such, a more comprehensive and informative report on H&S was requested for the October meeting.

We received this report in October. Having worked with JIAC members in the intervening period we were pleased that the report provided the level of detail and assurance that we requested and required. In particular we noted that a 'back to basics' review had been undertaken and further improvements put in place, and that tighter metrics had been put in place for risk and the performance framework which gave the policy a more strategically robust stance.

We noted the additional work that the force had undertaken in respect of the pandemic, including the fact that TVP were the national lead for PPE for policing which was an excellent achievement.

TVP were demonstrating all the correct processes and linking tactical matters to strategic matters. There was a new Health & Safety Register taking a fresh robust look around the fundamental and operational risks to the business and prioritising that the report was implementing best practice.

We have requested that, in future years, this report is combined with the current reports on wellbeing and environment and will maintain a close interest on the changes proposed.

Wellbeing & Environmental Protection

In June we received an annual report on organisational 'wellbeing' during 2020/21. However, this report did not provide the level of detail and assurance that we required, so we asked for it to be resubmitted in October.

The updated report was very comprehensive and we were pleased to note that TVP was giving increased prominence to the wellbeing of its workforce. The report focussed on the five key strands of wellbeing i.e. physical wellbeing, mental wellbeing, financial wellbeing, health safety and financial wellbeing, and leadership. We noted that a dashboard of key information is now presented to CCMT each month, which is then disseminated to LPA commanders and Heads of Departments so that their leadership teams are fully sighted on what is going on and how they can contribute to the wellbeing of their officers and staff

In respect of environmental issues we were surprised that the targets were so narrow in scope. The absence of robust targets across a broad front does stand out, as an anomaly in light of increasing government and societal focus on the climate change.

We were pleased to hear that DCC had already tasked the Chief Supt (Governance and Service Improvement) to lead this work and develop a comprehensive long-term five year strategy. This would identify a small number of items that need to land practically by 2025 with milestones and governance in place. We look forward to seeing this new strategy when it is ready.

Equality & Diversity

In June we received the 2020/21 annual report on equality, diversity and inclusion which showcased the achievements from the past 12 months and planned activities for 2021/22. The report covered the following areas: strategic governance, attraction recruitment and representation, gender pay gap, disability, leadership and personal development, and providing a service to diverse communities. We were pleased to hear that the Force had established a Positive Engagement Team to encourage applicants from diverse communities to apply through the Police Uplift Programme.

We recognise the ambition of force leadership on this important issue, and look forward to them building on the achievements to date, including development of the new Legitimacy Board.

Inspection and review

Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services (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.

In the previous Assurance Report, the Committee raised the issue of not receiving copies of HMICFRS reports and PCC responses in a timely manner. Accordingly, improvements were made during 2021 with responses to three key reports provided to members, notably:

- Policing in the pandemic - The police response to the coronavirus pandemic during 2020 and Custody services in a COVID-19 environment;
- Report on Hestia's super-complaint on the police response to victims of modern slavery;
- Review of policing domestic abuse during the pandemic

At the time of writing, the force are preparing responses to three recent HMICFRS reports ('Police response to violence against women and girls', 'Police super-complaints: police use of protective measures in cases of violence against women and girls', and 'A Joint Thematic Inspection of the Criminal Justice journey for individuals with mental health needs'). These will be considered by the PCC at his Performance and Accountability Meeting (PAM) with the Chief Constable on 26th November with a corresponding response being published in due course. Notwithstanding the above, 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 Thames Valley Police control environment and/or highlighted governance issues for the PCC and Chief Constable to consider.

Accountability arrangements

Our operating principles require us to:

- 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.

We are grateful to the PCC and the Chief Constable for affording us regular discussions as well as for the attendance of the PCC and the Deputy Chief Constable at meetings of the JIAC, enabling a continuous dialogue through the year on matters of interest, which have been described in the main body of this report.

Other issues

Professional & Ethical Standards - Force Oversight arrangements

We continue to attend, as observers, meetings of the Professional & Ethical Standards Panel that assesses whether 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, ethics and professional standards issues, are operating effectively in practice. We believe that their current Terms of Reference provide the basis for the Panel to provide effective support to the PCC and Chief Constable. We welcome the contribution the new members of PESP make to the panel.

General

We are pleased to report that the arrangements agreed seven 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 Professional and Ethical Standards Panel (previously known as 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
- Attend as an observer the Hampshire and Thames Valley Policing Collaboration Governance Board
- Attend as an observer the Force Transformation Board

Some members attended the CIPFA conference for Police Audit Committee members or a similar conference hosted by Grant Thornton, discussing challenges faced by audit committees and proposed legislative changes that will impact on the work of audit committees.

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, continue to raise 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 operating principles

The Committee's current operating principles are shown in Appendix 1.

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 their senior staff has enabled us to contribute to improved audit, risk management and internal controls.

The year ahead (2022) will be a demanding due to the ongoing impact of Covid-19;, reduced national public sector finances and the adverse impact on the nation's macro-economic situation, coupled with the ongoing investment in the development of leading edge digital policing systems. The PCC and the Force also have significant opportunities, with the ongoing increase in policing numbers. 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. Given the significance of managing the people risks for the success of TVP, we will continue to keep this area in focus in the year to come.

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 continue to be challenging.

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:

Mr Michael Day
Dr Stephen Page
Mrs Amna Rehman
Mrs Melissa Strange
Dr Gordon Woods

17 December 2021

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 and the External Audit Plan
2. **July** – to consider the End of Year Reports, the Annual Governance Statement, Annual Statement of Accounts and to receive the Audit Results report
3. **September** – to consider mid-year progress reports;
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 the arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements
- 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.
- Review arrangements for the assessment of fraud risks and potential harm from fraud and corruption and monitor the effectiveness of the counter fraud strategy, actions and resources
- To consider the governance and assurance arrangements for significant partnerships or collaborations

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

- Annually review the internal audit charter and resource
- 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
- To consider the Head of Internal Audit's statement on the level of conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN) and the results of the Quality Assurance & Improvement Programme (QAIP) that support the statement
- Consider and comment upon the annual report of the Head of Internal Audit
- Obtain assurance that an annual review of the effectiveness of the internal audit function takes place

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
- At present TVP participates in the national procurement of external audit services through the Public Sector Audit Appointments (PSAA). However, should the PCC and Chief Constable decide that local procurement would be better the Committee would undertake the 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.