



Internal Audit

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# **Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies**

Audit Strategy and Annual Internal Audit Plan

**2021/22**

January 2021

## Overview

### Introduction

The Audit Plan for 2021/22 has been informed by a risk assessment carried out across our local government clients and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks, and that the coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

### Key Emerging Themes

This year will continue to be another challenging year for local authorities in terms of funding, balancing budgets, service delivery and dealing with the ongoing impact of the COVID-19 pandemic. We have identified a number of key areas which require consideration when planning internal audit coverage.

**COVID-19:** The impact of the pandemic will carry through into 2021/22, continuing the pressure on policing resources and the knock-on effect of carried-forward leave and sickness absences. Other challenges include a backlog of cases in the criminal justice system, unreported/hidden crime and the potential need to increase the precept to mitigate any shortfall in funding.

**Brexit withdrawal agreement:** Depending on whether or not the United Kingdom can reach agreement on the terms of the UK's exit from Europe, the knock-on effect on trade, supplies and labour could have a detrimental impact on the economy and on the prices of goods and commodities, such as building materials. Policing needs in relation to borders and civil unrest remain unknown.

**Recruitment:** The continued implementation of the Government's three-year national campaign to recruit 20,000 police officers will require significant Human Resources, Training and Development and Workforce Planning input.

**Cyber crime:** A continuing theme and Forces need to take steps to assure themselves over the robustness of their overall arrangements. The National Police Chiefs' Council has also recently identified issues of cyber risk for police pension schemes following the results of this year's TPR Annual Governance and Administration Survey.

Further analysis of the risks facing the sector can be found at Appendix A.

### Providing Assurance during the COVID-19 pandemic

We have successfully transitioned to new and remote ways of working without any diminution of the service and we recognise that many if not all of our clients have had to implement changes in the way that they work. This may have resulted in gaps in control or exposures that previously didn't exist.

We have carried out extensive research to establish the Root Cause Indicators (RCI) which underpin the reasons for any weaknesses identified by our Internal Audit work in an organisation's governance, risk and control framework.

The RCIs include identifying the extent to which COVID-related factors are the cause of the identified exposure.

Further details in relation to RCIs can be found at Appendix B.

### Adequacy of the planned audit coverage

The reviews identified in the audit plan for 2021/22 support the Head of Internal Audit's annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control as required by TIAA's charter. The reviews have been identified from your assurance framework, risk registers and key emerging themes.

# Internal Audit Plan

## Audit Strategy Methodology

We adopt a proprietary risk-based approach to determining your audit needs each year which includes reviewing your risk register and risk management framework, the regulatory framework, external audit recommendations and previous internal audit work for the organisation, together with key corporate documentation such as your business and corporate plan, standing orders, and financial regulations. For 2021/22, we have conducted an analysis of the key risks facing the sector and client base more broadly to inform our annual planning. The Audit Strategy is based predominantly on our understanding of the inherent risks facing the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies and those within the sector and has been developed with senior management and Committee. Our approach is based on the International Standards for the Professional Practice of Internal Auditing which have been developed by the Global IIA (Institute of Internal Auditors).

## Risk Prioritisation

Each year an updated risk assessment is carried out to ensure the Audit Strategy remains fully aligned with the key risks facing Example Client. Appendix A contains the GUARD assessment of key risks in the sector and which has been used to identify those that are most relevant to the organisation and where internal audit assurance would be best focussed. Links to specific strategic risks are also contained in the Internal Audit Strategy.

## Internal Audit Strategy and Plan

Following the risk prioritisation review, the Audit Strategy has been produced (Appendix C) and the Annual Plan (Appendix D) sets out the reviews that will be carried out, the planned times and the high-level scopes for each of these reviews.

The Annual Plan will be subject to ongoing review and could change as the risks change for the organisation and will be formally reviewed with senior management and the Audit Committee mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of the Annual Plan includes: research; preparation and issue of terms of reference; site work; production and review of working papers; and reporting.

The Annual Plan has been prepared on the assumption that the expected controls will be in place.

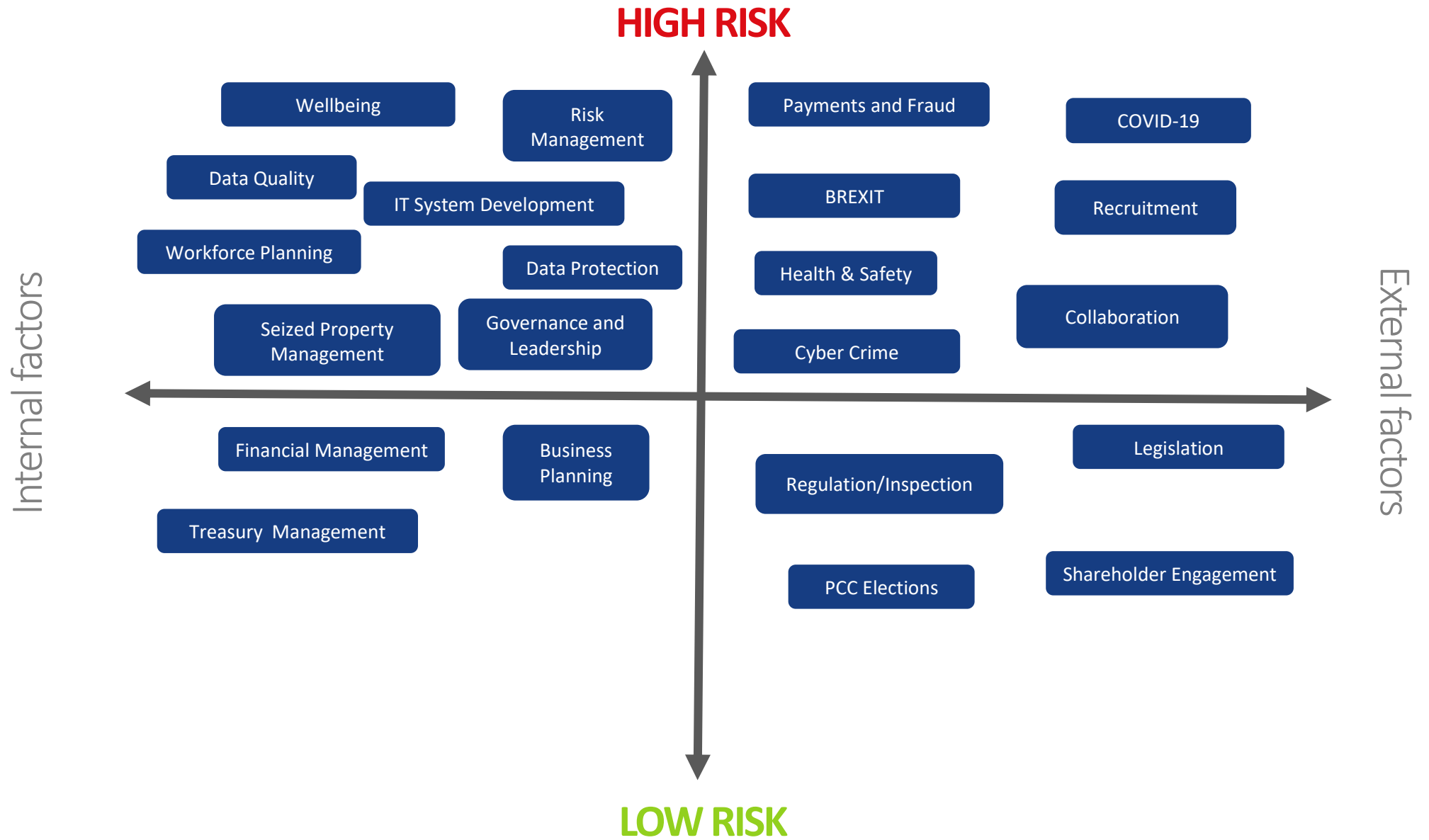
The total number of days required to deliver the Audit Plan is as agreed in the contract between TIAA and the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies. This number of days is fixed and it is TIAA's responsibility to deliver the Audit Plan for this number of days. Where the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies agrees additional work the required number of days and the aggregate day rate will be agreed in advance with the Directors of Finance / ACOs and will be clearly set out in the terms of reference for the additional review(s).

## Release of Report

The table below sets out the history of this plan.

<b>Date plan issued:</b>	January 2021
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Appendix A: GUARD Risk Analysis



## Appendix B: Providing Assurance

### Corporate Assurance Risks

We consider two corporate assurance risks – Directed and Delivery. Underneath these corporate risks sit six Root Cause Indicators (RCI). We have carried out extensive research to establish the RCI which underpin the reasons for any weaknesses identified by our Internal Audit work in an organisation’s governance, risk and control framework. The benefits of adopting this new approach is that it enables management and Audit Committees to clearly understand and focus on the significant issues arising from our work. For each audit assignment, we will provide a RCI for each of our findings in that area.



**Directed Risk: Failure to properly direct the service to ensure compliance with the requirements of the organisation.**

Root Cause Indicator	<b>Governance Framework</b>	There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.
	<b>Risk Mitigation</b>	The documented process aligns with the mitigating arrangements set out in the corporate risk register.
	<b>Compliance</b>	Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.



**Delivery Risk: Failure to deliver the service in an effective manner which meets the requirements of the organisation.**

Root Cause Indicator	<b>Performance Monitoring</b>	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.
	<b>Financial Constraint</b>	The process operates within the agreed financial budget for the year.
	<b>Resilience</b>	Good practice to respond to business interruption events and to enhance economic, effective and efficient delivery is adopted.

## Appendix C: Rolling Strategic Plan

Review Area	Type	2021/22	2022/23	2023/24
<b>Governance</b>				
Norfolk – OPCC Audit – Community Safety Partnership	Assurance	✓	✓	✓
Strategic Control and Corporate Governance	Assurance		✓	
Corporate and HR Policies	Assurance	✓		
Performance Management	Assurance			✓
Transformation and Strategic Planning / Change	Assurance	✓		✓
Whistleblowing	Assurance		✓	
Complaints	Assurance			✓
Communications	Assurance		✓	
Collaborations / Partnership Working	Advisory	✓	✓	✓
Emergency Planning & Business Continuity	Assurance			✓
Commissioning including MOJ return	Assurance		✓	
<b>Risk Management</b>				
Strategy / Policy	Advisory			✓
Risk Maturity and Development	Assurance	✓		
Embedding / Mitigating Controls	Assurance		✓	
<b>ICT</b>				
Cyber Security	Assurance			✓
IT Development – incl Digital World, Governance, Strategy	Assurance		✓	
Device Management	Assurance			✓
Disaster Recovery and Business Continuity	Assurance	✓		

Review Area	Type	2021/22	2022/23	2023/24
Systems – ERP / Enact / DMS / Chronicle interfaces	Assurance	✓		
<b>Finance</b>				
Shared Service Transaction Centre	Assurance	✓		✓
OBB Process	Assurance		✓	
Key Financials	Assurance	✓	✓	✓
Payroll, including ERP Reporting	Assurance		✓	
Accounts Payable	Assurance	✓		
Accounts Receivable	Assurance		✓	
General Ledger	Assurance			✓
Treasury Management	Assurance	✓		
Capital Programme	Assurance	✓		
Budgetary Control	Assurance			✓
Fixed Assets	Assurance		✓	
Pensions Administration	Assurance	✓		
Overtime	Assurance	✓		
Allowances, Expenses and Additional Payments	Assurance		✓	
<b>Procurement</b>				
Strategy and Policy	Assurance	✓		✓
Local Procurement compliance, incl waivers	Assurance		✓	✓
<b>Information Management</b>				
Data Protection / Freedom of Information	Assurance		✓	
Data Quality	Assurance	✓		
MOPI	Assurance			✓

Review Area	Type	2021/22	2022/23	2023/24
<b>Human Resources</b>				
HR Strategy & Workforce Planning & People Strategy	Assurance			✓
Establishment, Capacity, Recruitment and Retention	Assurance	✓		
Succession Planning	Assurance			✓
Absence Management, with limited duties	Assurance	✓		
Workplace Health	Assurance		✓	
Duty Management System	Assurance	✓		
Learning and Development, incl external training budgets	Assurance			✓
ED&I	Assurance		✓	
PEQF	Assurance	✓		
Ill Health Retirement	Assurance		✓	
<b>Transport and Stores</b>				
Strategy and Policies	Assurance	✓		
Procurement	Assurance		✓	
Management - Maintenance, Repair, Disposal, Transport Stock	Assurance	✓		✓
Use of Vehicles and telematics, incl Fuel Usage	Assurance		✓	
Stores and Uniform	Assurance			
<b>Estates</b>				
Strategy and Policies, incl future planning	Assurance	✓		
Maintenance	Assurance			✓
Health and Safety	Assurance		✓	
Facilities	Assurance		✓	
Stations, incl Building Access and Vehicle Security	Assurance			✓



Review Area	Type	2021/22	2022/23	2023/24
Contract Management	Assurance		✓	
<b>Operational / Other Areas</b>				
Firearms Certificates / Management	Assurance		✓	
Dog Handling	Assurance	✓		
Proceeds of Crime	Assurance			✓
Recovered Property and Seized Monies	Assurance	✓		✓
Safeguarding and Investigations	Assurance		✓	
Ethical Standards	Assurance			
Vetting	Assurance		✓	
<b>Management and Planning</b>				
Follow Up	Follow Up	✓	✓	✓
Annual Planning	-	✓	✓	✓
Annual Report	-	✓	✓	✓
Audit Management	-	✓	✓	✓
Total Days	330			

## Appendix D: Annual Plan – 2021/22

Quarter	Review	Type	Days	Rationale and Scope	Review type
2	Norfolk – OPCC Audit - Community Safety Partnership	Assurance	15	<p><u>Rationale</u></p> <p>Norfolk Community Safety Partnership is managed by the Office of the Police and Crime Commissioner. The Office of the Police and Crime Commissioner for Norfolk has only recently taken on responsibility for the community safety partnership for Norfolk. The Norfolk Community Safety Partnership consists of the following statutory partners – the County Council, all 7 district councils, police, probation, fire and CCGs, YOT and housing. These partners are all committed to working together in partnership with victims and communities to tackle crime and disorder within the county, striving to keep Norfolk one of the safest places in the country to live, work and visit.</p> <p><u>Scope</u></p> <p>The audit will review how successful embedding of the community safety partnership function has been and to ensure the service is achieving its objectives.</p>	
3	Corporate and HR Policies	Assurance	6	<p><u>Rationale</u></p> <p>The centralised policy unit are responsible for the production and review of all departments/areas policies, with the exception of HR related policies. The HR department are responsible for the production and revision of their policies. There is a need for appropriate and current policies to be in place to ensure consistent and standardised approach is followed.</p> <p><u>Scope</u></p> <p>The audit will assess the adequacy and effectiveness of the Constabularies for agreeing and reviewing policies.</p>	

Quarter	Review	Type	Days	Rationale and Scope	Review type
4	Transformation and Strategic Planning / Change	Assurance	12	<p><u>Rationale</u></p> <p>The development of new internal systems and processes will impact on the capacity and capability of resources to develop working practices and drive efficiencies.</p> <p><u>Scope</u></p> <p>The objective of the audit is to review the systems and controls in place for strategic control. The audit will ensure that there are appropriate controls and monitoring arrangements in place to ensure objectives are achieved.</p>	
3	Collaborations and Partnership Working	Advisory	16	<p><u>Rationale</u></p> <p>Collaborations and partnerships with local public sector organisations are growing and developing. Focus will be on the seven forces collaboration options and local collaborations with the fire service and probation.</p> <p><u>Scope</u></p> <p>The audit will focus on whether collaborations and partnerships are fulfilling their requirements.</p>	
3	Risk Maturity and Development	Assurance	8	<p><u>Rationale</u></p> <p>Robust risk management is critical to all organisations to ensure risks are effectively management and emerging risks identified.</p> <p><u>Scope</u></p> <p>Our cyclical annual reviews will cover the structures and processes put in place to ensure effective Risk Management across the organisation, including embedding risk, risk identification, and risk mitigation. This will include a review of Locality risk management and how that links to the overall risk management process.</p>	

Quarter	Review	Type	Days	Rationale and Scope	Review type
1	Disaster Recovery and Business Continuity	Assurance	12	<p><u>Rationale</u></p> <p>Appropriate disaster recovery and business continuity arrangements need to be in place to ensure the organisation is able to function. The Covid-19 pandemic has caused additional pressure for the constabularies and has caused significant changes to working practices.</p> <p><u>Scope</u></p> <p>The objective of the audit is to review the adequacy, effectiveness and efficiency of the systems and controls in place to manage Disaster Recovery and business continuity.</p>	
2	Systems – ERP / Enact / DMS / Chronicle interfaces	Assurance	20	<p><u>Rationale</u></p> <p>The constabularies use a number of different systems, to ensure effective delivery of services. There is a risk that systems do not fulfil their objectives and do not interact accordingly.</p> <p><u>Scope</u></p> <p>The objective of the audit is to ensure the systems are operating effectively and delivering required objectives.</p>	
1	Shared Service Transaction Centre	Assurance	12	<p><u>Rationale</u></p> <p>The shared service transaction centre was implemented October 2020.</p> <p><u>Scope</u></p> <p>The audit will review how successful embedding of the shared services transaction centre has been and to ensure the service is achieving its objectives.</p>	
4	Key Financials	Assurance	30	<p><u>Rationale</u></p> <p>Robust financial systems are essential to financial well-being of any organisation. The key controls will focus on stress testing the key controls within each of the financial systems identified.</p> <p><u>Scope</u></p> <p>The review considers the arrangements for key controls operating within the systems and Force Management Statements.</p>	

Quarter	Review	Type	Days	Rationale and Scope	Review type
4	Accounts Payable	Assurance	10	<p><u>Rationale</u></p> <p>The accounts payable function is one of the key financial systems which feed into the Statement of Accounts and require regular review to confirm the adequacy and effectiveness of controls.</p> <p><u>Scope</u></p> <p>The objective of the audit is to review the systems and controls in place within Accounts Payable, to help confirm that these are operating adequately, effectively and efficiently.</p>	
3	Treasury Management	Assurance	8	<p><u>Rationale</u></p> <p>Appropriate treasury management operations ensures that cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return.</p> <p><u>Scope</u></p> <p>The objective of the audit is to review the systems and controls in place within the Treasury Management function, to help confirm that these are operating adequately, effectively and efficiently.</p>	
3	Capital Programme	Assurance	10	<p><u>Rationale</u></p> <p>The capital programme set out our plans for investment in assets and how these will be funded. If the capital programme is not effectively managed there will not be sufficient funding to fund the capital programme.</p> <p><u>Scope</u></p> <p>The review considers the arrangements for accounting for the capital programme.</p>	
3	Pensions Administration	Assurance	10	<p><u>Rationale</u></p> <p>It is a legal requirement to provide a pension scheme. It is vital that the pension fund is managed accordingly. Pension deductions are made accordingly.</p> <p><u>Scope</u></p> <p>The review considers the arrangements for management and accounting of the pension function.</p>	

Quarter	Review	Type	Days	Rationale and Scope	Review type
1	Overtime	Assurance	12	<p><u>Rationale</u></p> <p>Due to the high volume of transactions and nature of the system, it is vulnerable to error and misappropriation. The constabularies have developed (POCASO) internally for payment of police officers' overtime. Police staff continue to submit hard copy forms for claiming of overtime.</p> <p><u>Scope</u></p> <p>The review to consider the arrangements for claiming, making payment and monitoring of overtime to ensure that these controls are operating effectively.</p>	
2	Procurement Strategy and Policy	Assurance	10	<p><u>Rationale</u></p> <p>The constabularies' are part of the seven force procurement function, this covers Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk. The seven force procurement team are in their infancy. There is a risk that the procurement strategy may not align with corporate strategies and direction for current and future needs.</p> <p><u>Scope</u></p> <p>The audit will appraise the strategy for managing the procurement function for current and future requirements, with supporting policies.</p>	
2	Data Quality	Assurance	12	<p><u>Rationale</u></p> <p>Data quality is a key area of risk for the constabularies. Previous audits have identified concerns in relation to data quality, and for this reason a further audit has been scheduled.</p> <p><u>Scope</u></p> <p>The review will focus on the quality of data across areas of the organisations. This will include data recording and retention on central systems and stand-alone systems, quality of input, focusing initially on data quality for priority reporting systems.</p>	

Quarter	Review	Type	Days	Rationale and Scope	Review type
4	Establishment, Capacity, Recruitment and Retention	Assurance	12	<p><u>Rationale</u></p> <p>Key audit risk area, with increased drive to recruit front line officers, implication of PEQF and there has been a change in the recruitment process.</p> <p><u>Scope</u></p> <p>The review will consider decision making around the establishment, capacity, and changes to recruitment criteria, around the arrangements for advertising, shortlisting, interviewing and appointing staff/officers. Also around the retention of officers/staff, the impact of changes to recruitment processes, acting up and promotions.</p>	
1	Absence Management, with limited duties	Assurance	15	<p><u>Rationale</u></p> <p>Resources are limited and thus it is critical that appropriate means are in place to reduce absence and to ensure that any absence is appropriately managed.</p> <p><u>Scope</u></p> <p>The audit will consider the adequacy of controls in place in relation to absence management including limited and restrictive duties across Norfolk and Suffolk Constabularies.</p>	
2	Duty Management System	Assurance	10	<p><u>Rationale</u></p> <p>Key audit area of risk, with outstanding recommendations from previous audits.</p> <p><u>Scope</u></p> <p>The review will appraise the effectiveness of the duty resource management system</p>	

Quarter	Review	Type	Days	Rationale and Scope	Review type
3	PEQF	Assurance	10	<p><u>Rationale</u></p> <p>Policing Education Qualification Framework (PEQF) is a new professional framework for the training of police officers and staff, it is intended to be a standardised national framework stating the required level of professional training for police officers from constable through to chief officer ranks. Without proper investment and planning there is a risk that the constabularies are not ready to implement PEQF.</p> <p><u>Scope</u></p> <p>The to review the systems and controls in place for ensuring appropriateness and readiness of the constabularies for PEQF</p>	
3	Transport Strategy and Policies	Assurance	6	<p><u>Rationale</u></p> <p>The constabularies need to have an appropriate transport fleet to meet the operational needs of the forces. There is a risk that the transport strategy may not align with corporate strategies and direction.</p> <p><u>Scope</u></p> <p>The audit will appraise the strategy and supporting policies for managing transport services.</p>	
1	Management - Maintenance, Repair, Disposal, Transport Stock	Assurance	15	<p><u>Rationale</u></p> <p>The constabularies need to have appropriate fleet of vehicles which is well maintained to enable them to meet the needs of the forces. There is a risk that fleet vehicles are not appropriately maintained. Vehicles which are surplus to requirements will be disposed off. There is a risk that funds received from the sale of vehicles are not received in full resulting in financial loss.</p> <p><u>Scope</u></p> <p>The audit will appraise the arrangements and controls in place to ensure that the fleet of vehicles are adequately maintained, and to ensure appropriate controls are in place for disposing of vehicles and recording of vehicles proceeds.</p>	



Quarter	Review	Type	Days	Rationale and Scope	Review type
3	Estate Strategy and Policies	Assurance	6	<p><u>Rationale</u></p> <p>The Estates strategy may not align with corporate strategies and direction for current and future need due to the additional recruits and new OPCC plan following the Police and Crime Commissioner elections.</p> <p><u>Scope</u></p> <p>The audit will appraise the strategy for managing the estates for current and future requirements and review of estate policies to ensure that they are appropriate.</p>	
1	Dog Handling	Assurance	10	<p><u>Rationale</u></p> <p>Dog handlers provide proactive and reactive assistance in support of all operational officers and specialist departments by appropriate use of police dogs; to locate and retrieve evidence or offenders, to control potential and actual disturbances.</p> <p><u>Scope</u></p> <p>The audit will consider the adequacy of controls in place in relation to management of police dogs across Norfolk and Suffolk Constabularies.</p>	
2	Recovered Property and Seized Monies	Assurance	12	<p><u>Rationale</u></p> <p>Clear processes are required to effectively manage property recovered and seized monies.</p> <p><u>Scope</u></p> <p>The audit will appraise the effectiveness of controls for managing the recovery of property process for both Norfolk and Suffolk Constabularies in particular the arrangements for securing and storing of seized monies.</p>	
4	Follow-up	Follow up	12	Follow-up of implementation of agreed priorities one and two actions from audit reports, ensuring the organisation is implementing recommendations, and providing reports to the Audit Committee.	
1	Annual Planning	Management	1	Assessing the organisation's annual audit needs.	

Quarter	Review	Type	Days	Rationale and Scope	Review type
4	Annual Report	Planning/Reporting	1	Reporting on the overall conclusions and opinion based on the year's audits and other information and providing input to the Annual Governance Statement.	
1-4	Audit Management	Planning/Reporting	18	This time includes: meeting client management, overseeing the audit plan, reporting and supporting the Audit Committee, liaising with External Audit and Client briefings (including fraud alerts, fraud digests and committee briefings).	
<b>Total days</b>			<b>330</b>		

## Appendix E: Internal Audit Charter

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### The Need for a Charter

The Audit Charter formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies and defines the scope of internal audit activities. The establishment of the Audit Charter is a requirement of the Public Sector Internal Audit Standards (PSIAS) and approval of the charter is the responsibility of the Audit and Committee.

### The Role of Internal Audit

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the framework of governance, risk management and control. TIAA is responsible for providing assurance to the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies governing body (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of the risk management, control and governance processes.

### Standards and Approach

TIAA's work will be performed with due professional care, in accordance with the requirements of the Global Institute of Internal Auditors (IIA) standards which are articulated in the International Professional Practices Framework (IPPF).

### Scope

All the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies activities fall within the remit of TIAA. TIAA may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies management has taken the necessary steps to achieve these objectives and manage the associated risks. It is not within the remit of TIAA to question the appropriateness of policy decisions; however, TIAA is required to examine the arrangements by which such decisions are made, monitored and reviewed.

TIAA may also conduct any special reviews requested by the board, Audit Committee or the nominated officer (being the post responsible for the day to day liaison with the TIAA), provided such reviews do not compromise the audit service's objectivity or independence, or the achievement of the approved audit plan.

### Access

TIAA has unrestricted access to all documents, records, assets, personnel and premises the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies and is authorised to obtain such information and explanations as they consider necessary to form their opinion. The collection of data for this purpose will be carried out in a manner prescribed by TIAA's professional standards, Information Security and Information Governance policies.

### Independence

TIAA has no executive role, nor does it have any responsibility for the development, implementation or operation of systems; however, it may provide independent and objective advice on risk management, control, governance processes and related matters, subject to resource constraints. For day-to-day administrative purposes only, TIAA reports to a nominated officer within the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies and the reporting arrangements must take account of the nature of audit work undertaken. TIAA has a right of direct access to the chair of the board, the chair of the Audit Committee and the responsible accounting officer (being the post charged with financial responsibility).

To preserve the objectivity and impartiality of TIAA's professional judgement, responsibility for implementing audit recommendations rests with the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies management.

## Conflict of Interest

Consultancy activities are only undertaken with distinct regard for potential conflict of interest. In this role we will act in an advisory capacity and the nature and scope of the work will be agreed in advance and strictly adhered to.

We are not aware of any conflicts of interest and should any arise we will manage them in line with TIAA's audit charter and internal policies, the Global IIA standards and the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies requirements.

## Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2002.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

## Limitations and Responsibility

Substantive testing will only be carried out where a review assesses the internal controls to be providing 'limited' or 'no' assurance with the prior approval of the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies and additional time will be required to carry out such testing. The Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies is responsible for taking appropriate action to establish whether any loss or impropriety has arisen as a result of the control weaknesses.

Internal controls can only provide reasonable and not absolute assurance against misstatement or loss. The limitations on assurance include the possibility of one or more of the following situations, control activities being circumvented by the collusion of two or more persons, human error, or the overriding of controls by management. Additionally, no assurance can be provided that the internal controls will continue to operate effectively in future periods or that the controls will be adequate to mitigate all significant risks that may arise in future.

The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.

Reliance will be placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

The matters raised in the audit reports will be only those that come to the attention of the auditor during the course of the internal audit reviews and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. The audit reports are prepared solely for management's use and are not prepared for any other purpose.

## Liaison with the External Auditor

We will liaise with the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies External Auditor. Any matters in the areas included in the Annual Plan that are identified by the external auditor in their audit management letters will be included in the scope of the appropriate review.

## Reporting

**Assignment Reports:** A separate report will be prepared for each review carried out. Each report will be prepared in accordance with the arrangements contained in the Terms of Reference agreed with TIAA and which accord with the requirements of TIAA’s audit charter and the Global IIA standards.

**Progress Reports:** Progress reports will be prepared for each Audit Committee meeting. Each report will detail progress achieved to date against the agreed annual plan.

**Follow Up Reports:** We will provide an independent assessment as to the extent that priority 1 and 2 recommendations have been implemented. Priority 3 recommendations are low-level/housekeeping in nature and it is expected that management will monitor and report on implementation as considered appropriate.

**Annual Report:** An Annual Report will be prepared for each year in accordance with the requirements set out in TIAA’s audit charter and the Global IIA standards. The Annual Report will include a summary opinion of the effectiveness of the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies governance, risk management and operational control processes based on the work completed during the year.

**Other Briefings:** During the year Client Briefing Notes, Benchmarking and lessons learned digests will be provided. These are designed to keep the organisation abreast of in-year developments which may impact on the governance, risk and control assurance framework.

## Assurance Assessment Gradings

We use four levels of assurance assessments as set out below.

<b>Substantial Assurance</b>	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
<b>Reasonable Assurance</b>	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
<b>Limited Assurance</b>	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
<b>No Assurance</b>	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

## Performance Standards

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Area	Performance Measure	Target
Achievement of the plan	Completion of planned audits.	100%
	Audits completed in time allocation.	100%
Reports Issued	Draft report issued within 10 working days of exit meeting.	100%
	Final report issued within 10 working days of receipt of responses.	100%
Professional Standards	Compliance with TIAA’s audit charter and the Global IIA Standards.	100%

## Data Protection

TIAA has policies, procedures and processes in place to comply with all associated regulation and legislation on information security, which is underpinned by mandatory annual awareness training for all staff. To carry out our role effectively, we need to obtain information that is reliable, relevant and sufficient to support our findings and recommendations. The collection of data, particularly sensitive personal data, is minimised and is not shared with unauthorised persons unless there is a valid and legal requirement to do so. We have clear policies on the retention of data and its appropriate, controlled disposal. TIAA has a fully robust Information Security Management System that meets all the requirements of ISO27001:2013.

## Quality Assurance

TIAA recognises the importance of Internal Audit being controlled at each stage to ensure that we deliver a consistent and efficient Internal Audit service that is fully compliant with professional standards and also the conditions of contract. We operate a comprehensive internal operational quality review process to ensure that all Internal Audit work is carried out in accordance with these standards. These quarterly reviews are part of our quality management system which has ISO 9001:2015 accreditation.

## Audit Committee Responsibility

It is the responsibility of the Police and Crime Commissioners for Norfolk and Suffolk and the Chief Constables of Norfolk and Suffolk Constabularies to determine that the number of audit days to be provided and the planned audit coverage are sufficient to meet the Committee's requirements and the areas selected for review are appropriate to provide assurance against the key risks within the organisation.

By approving this document, the Audit Committee is also approving the Internal Audit Charter.

## Disclaimer

The matters raised in this planning report, along with those raised in our audit and annual reports, are only those that came to the attention of the auditor during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.