

OFFICE OF CHIEF CONSTABLE		DECISION NO:
LEAD CHIEF OFFICER	Nigel Stephens, Assistant Chief Officer – Resources	
TITLE:	IT Internal Audit – Scrutiny ICT Arrangements	
DATE:	11 June 2020	
TIMING:	Annually	
PURPOSE:	For Decision	
1.	<u>RECOMMENDATION</u>	
1.1	This report provides details of the scrutiny arrangements of the IT internal audit services provided by Torfaen County Borough Council.	
2.	<u>INTRODUCTION & BACKGROUND</u>	
2.1	The governance arrangements operated by both the Police and Crime Commissioner and the force are established in statute and supported by the Memorandum of Governance which also detailed the internal controls framework.	
2.2	Internal audit is an important component of the control framework and delivers a programme of work to provide assurance to those charged with governance.	
2.3	The main internal audit function is provided by TIAA through a contracted service.	
2.4	At the Joint Audit Committee on 21 st December 2016 it was agreed to deliver the IT internal audit through a single audit programme for the Shared Resource Service and its partners. This service is provided by the Torfaen County Borough Council (TCBC) audit team.	
2.5	The delivery of the IT services to Gwent Police is provided by Shared Resource Service (SRS) which is supported by a Memorandum of Understanding (MoU) and includes the responsibilities regarding internal audit.	
2.6	The implementation of a single audit programme for the SRS and its partners has enabled structure and efficiency since it commenced in April 2017.	
2.7	The past three financial years has seen a steady improvement in the management of the audit process, the managerial focus upon addressing audit findings and also the assurance levels.	
2.8	Joint Audit Committee (JAC) members have been instrumental to ensure appropriate scrutiny and challenge has been provided and this has also included the attendance of the internal audit team and SRS Management at JAC meetings.	
2.9	Annual audit planning, in year programme monitoring and also tracking of management action is now established and will continue.	
3.	<u>ISSUES FOR CONSIDERATION</u>	
3.1	The SRS Governance arrangements have developed in the past two years and there is an established Finance & Governance Board that reports to the	

	SRS Strategic Board each quarter.
3.2	The Finance & Governance Board consists of SRS Management and also the Finance Directors (S151 officers) of each of the partners. The remit and membership of this board is provided in the Terms of Reference at Appendix 1.
3.3	At the Finance & Governance Board on 19 th May 2020, the S151 officers received the Annual IT Internal Audit Report for 2019/20, the management report detailing progress with addressing audit findings and the draft audit plan 2020/21. These are included on the agenda and supporting documents.
3.3	These reports were scrutinised, challenged and approved. It was noted that there has been a marked improvement in both the audit process and also the audit findings. The most significant progress is evidenced over the past twelve months.
3.4	The matter of auditors accountability to S151 officers and reporting arrangements to individual Audit Committees was discussed.
3.5	There was acknowledgement that audit governance and scrutiny arrangements differ across the partners and that attendance by auditors to each would create a duplication of reporting that is already established with S151 officers at the Finance & Governance Board.
3.6	It was agreed that the IT internal auditors would report to the S151 officers and that each individual S151 officer would present audit reports to their Audit Committees.
4.	<u>NEXT STEPS</u>
4.1	The Assistant Chief Officer – Resources will present the audit plan, annual audit report and also the SRS monitoring reports to the Joint Audit Committee commencing May 2020.
4.2	The responsibilities of the JAC are such that members should retain the right to request attendance from both the auditors and SRS management in exceptional circumstances or when there are low levels of assurance from audit report findings.
4.3	The S151 officers will provide feedback to the Finance & Governance Board with the adequacy of these arrangements during 2020/21 to establish whether they are satisfactory.
5.	<u>FINANCIAL CONSIDERATIONS</u>
5.1	Torfaen CBC were able to absorb the work of the four partners into their IT audit team and therefore there was no increase in cost to the public sector.
5.2	Gwent Police released 10 days from the TIAA audit plan which was re-assigned to other priorities.
6.	<u>PERSONNEL CONSIDERATIONS</u>
6.1	There are no personnel considerations within this report.
7.	<u>LEGAL IMPLICATIONS</u>
7.1	There are no legal considerations within this report.
8.	<u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u>

8.1	This project/proposal has been considered against the general duty to promote equality, as stipulated under the Single Equality Scheme and has been assessed not to discriminate against any particular group.
8.2	In preparing this report, consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998.
9.	<u>RISK</u>
9.1	The structured, co-ordinated delivery of an audit programme for the SRS partners provides a robust approach that will reduce the risk to which each organisation has previously been exposed and also increases the efficiency of the audit process.
10.	<u>PUBLIC INTEREST</u>
10.1	This report is available to the public.
11.	<u>CONTACT OFFICER</u>
11.1	Nigel Stephens, Assistant Chief Officer – Resources.
12.	<u>ANNEXES</u>
12.1	Annex 1: SRS Finance & Governance Board – Terms of Reference