

**OFFICE OF THE POLICE AND CRIME COMMISSIONER  
FOR HUMBERSIDE  
DECISION RECORD**

**Decision Record Number: 1/2013**

**Title: Provision of Internal Audit Services**

**Executive Summary:**

There is a need to consider the arrangements for the provision of internal audit services from 1 April 2013 and to consider the longer term arrangements for the provision of this service given the new governance arrangements in policing.

**Recommendations:**

That, due to there being insufficient time to undertake a procurement process and to reduce risks posed by new corporate governance arrangements, new audit committee arrangements and new external auditors there were benefits to the proposal in terms of providing some continuity, and therefore approval is given to extend the current arrangements for the provision of internal audit services to 31 March 2014 and that the statutory officers are requested to examine the options for provision and market testing of the service beyond that date.

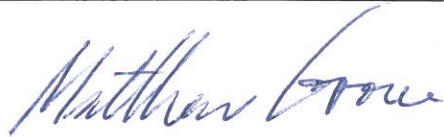
**Police and Crime Commissioner for Humberside**

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with my code of conduct.

Any such interests are recorded below.

The above request has my approval.

**Signature**



**Date 04.01.13**

commencement of the respective financial year (April 2013-March 2014). This process usually commences in November/ December, therefore an early decision is required to ensure that effective audit planning is undertaken.

The Office of the Police & Crime Commissioner for West Yorkshire (OPCC WY) has a well resourced, qualified, experienced and specialised police sector internal audit function. The function has been resourced in order to discharge an effective audit service in all three Force areas (West Yorkshire, North Yorkshire & Humberside).

The West Yorkshire internal audit team have recognised the dynamic nature of the new policing governance arrangements. They have been proactive in examining a number of options for the model of audit delivery. A consortium model was identified as being the preferred way forward. An outline proposal has been drafted. The proposed consortium model of audit was based on continued collaboration and requires further development. Work to date has included a meeting of a proposed management board involving all of the relevant s151 officers. The aim of this approach was to ensure that future service provision meets the requirements of all to the 'stakeholder' PCCs and CCs.

The consortium arrangement is just one of a number of potential ways in which the service can be provided within Humberside.

The newly established Joint Independent Audit Committee will provide a forum for discussion about the available options.

If the extension of the current arrangement is approved, then the timing of decisions on provision for 2014/15 and beyond will need to have regard to staffing implications for the existing provider and the review and planning timescales referred to above.

**Options:** The overall objective is to ensure that arrangements are in place to ensure that the PCC and the Chief Constable can discharge their respective responsibilities in accordance with the Accounts and Audit (England) Regulations 2011. The Regulations require effective internal audit of the affairs of both bodies to be maintained. There are a range of options available that include provision by a third party public or private sector provider, internal provision or a continuation of the existing arrangements.

7. **.Legal Comments:** There is a legal requirement to ensure that the PCC and the Chief Constable comply with the Accounts and Audit (England) Regulations 2011 by having effective internal audit arrangements in place.

The development of subsequent proposals for the provision of the service will need to take into account all legal and procurement implications.

8. **Equality Comments:** There are no equality issues in the context of this report.

9. **Next steps:** If the extension is approved then this will be formalised in an agreement with the PCC for West Yorkshire. The statutory officers will examine the options for the longer term provision of the service and evidencing value for money and the matter will be given early consideration by the Joint Independent Audit Committee.

10. **Background/Supporting Papers:**

Code of Practice for Internal Audit in Local Government in the United Kingdom issued by CIPFA

Financial Management Code of Practice

Humberside PA Resources Committee November 2011 (report and minutes)

Humberside PA Informal Audit Panel 22 October 2012 (report and minutes)

Police Internal Audit Consortium proposal