

## Decision

**From:** Neil Rickwood , Head of Audit & Risk

**Date:** 30 May 2013

<b>Timing:</b>	
<b>Purpose:</b>	Decision required on membership of Internal Audit Consortium Board
<b>Cleared by:</b>	Chief Executive

**SUBJECT :** Internal Audit Consortium Board Membership

### Summary:

Formal decisions have previously been made in each of the three policing areas (West Yorkshire, North Yorkshire and Humberside) to continue with the internal audit service under the current collaborative arrangements until March 2014, ensuring effective provision of the 2013/14 audit work plans. The decision also delegated to statutory officers the responsibility, through a management board structure, for developing the structure and delivery model of the internal audit service, ensuring that it meets the requirements of the new governance regime.

A key element of the proposal was to develop and promote the strategic level management of the Police Audit Consortium through a Consortium Board.

Initial meetings of the 'shadow' Consortium Board had made an assumption that the Board membership would comprise of the Chief Financial Officers (CFOs) for the respective policing bodies which form part of the shared service arrangements. At the last Board meeting it was agreed that this assumption needed to be validated and approved through a formal decision paper.

The requirement for an internal audit function is either implied or explicit under the relevant Local Government Legislation (Section 151 of the Local Government Act 1972) which imposes a requirement on every local authority in England and Wales to 'make arrangements for the proper administration of their financial affairs and to secure that one of their officers has responsibility for the administration of those affairs'. The Accounts and Audit (England) Regulations 2011 also place a responsibility on both the PCC and the CC to maintain an effective internal audit of their affairs. Within each OPCC/ Force these responsibilities are delegated to the respective CFOs.

Strategic management of the internal audit function through the Consortium Board would form a key element of these delegated responsibilities.

Formalising the decision that membership of the Consortium Board should comprise of the respective Chief Finance Officers (CFOs) also ensures that all the individuals

on the Board can rely on organisational insurance cover through their CFO responsibilities.

**Recommendation:**

**To delegate responsibility for membership of the Internal Audit Consortium Board to the respective Chief Finance Officer for each policing body which forms part of the shared audit service.**

**Affordability:** No impact on service costs. The service costs of the Internal Audit will continue to be based current collaboration principles which are on a cost per productive audit, which recovers costs and is no-profit making.

**APPENDICES:**

NONE