



Cumbria Office of the Police, Fire and Crime Commissioner and  
Cumbria Constabulary

Indicative Audit Strategy 2024/27 and Annual Plan 2024/25

February 2024

Draft

# Executive Summary

## Introduction

The Audit Plan for 2024/25 has been informed by a risk assessment carried out across our clients in the sector and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks. This coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

## Key Risk Considerations

We have identified a number of key areas which require consideration when planning internal audit coverage.

**Police and Crime Commissioner Elections** are due to be held in May 2024. The outcome of the elections will impact on the Police and Crime Plan and policing priorities for the Constabularies.

**Vetting** HMICFRS' inspection into police vetting in the wake of the Sara Everard case found that it was falling well below the standards required. It identified that cultural shortcomings were prevalent in all of the forces inspected and warning signs that were not acted upon. This continues to be an area of risk across forces.

**Climate change and Sustainability** Global warming can lead to physical, operational, financial and reputational risks arising. 'Loss and damage' - the phrase used to describe the destruction being wrought by the climate crisis - will remain high on the agenda. Financial challenges will impact on the ability to meet the climate change and sustainability expectations.

**Workforce** The changing nature of crime, skills required and utilisation of the workforce to tackle this, along with financial pressures drives how the workforce is shaped.

## Audit Strategy Methodology

In producing this audit strategy and annual plan, we have sought to build on our understanding of Cumbria OPFCC and Cumbria Constabulary's operating environment and risk profile through a review of key documentation and discussions with key staff. We have taken into account:

- Cumbria OPFCC and Cumbria Constabulary's business strategy and corporate objectives
- The regulatory and legislative framework
- Cumbria OPFCC and Cumbria Constabulary's risk register
- External Audit recommendations
- Previous Internal Audit coverage

We take in to account any emerging or heightened risks that are facing the sector, to ensure that the work of internal audit remains appropriately prioritised and focused. Links to specific strategic risks are also contained in the Internal Audit Strategy.

Our approach complies with the International Standards for the Professional Practice of Internal Auditing which have been developed by the Institute of Internal Auditors (IIA) and the Public Sector Internal Audit Standards (PSIAS).

## Internal Audit Strategy and Plan

The Audit Strategy at Appendix A incorporates the proposed annual plan for 2024/25 and the indicative coverage for the following two years.

The Annual Plan at Appendix B sets out the assignments that will be carried out in 2024/25, the planned times and the high-level scopes for each of these assignments.

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

The overall agreed time for the delivery of each assignment within 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 Cumbria OPFCC and Cumbria Constabulary. This number of days is fixed and it is TIAA's responsibility to deliver the Audit Plan for this number of days. Where Cumbria OPFCC and Cumbria Constabulary agrees additional work the required number of days and the aggregate day rate will be agreed in advance with the Chief Finance Officer/s and will be clearly set out in the terms of reference for the additional review(s).

### Adequacy of the planned audit coverage

The reviews identified in the audit plan for 2024/25 support the Head of Internal Audit's annual opinion on the overall adequacy and effectiveness of Cumbria OPFCC and Cumbria Constabulary'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.

### Disclaimer

This document 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 document 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 document and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our document.

### Release of Report

The table below sets out the history of this plan.

<b>Draft Strategy and Plan:</b>	22 <sup>nd</sup> February 2024
<b>Final Strategy and Plan:</b>	

# Appendix A: Rolling Strategic Plan

Review Area	Entity	Type	2024/25	2025/26	2026/27
<b>Governance</b>					
Equality, Diversity and Inclusivity	CC	Assurance	✓		
Data Protection and GDPR	OPFCC/CC	Assurance	✓		
Commissioner’s Grants	OPFCC	Assurance		✓	
OPFCC Police and Crime Plan	OPFCC	Assurance		✓	
Performance & Insight	CC	Assurance		✓	
Strategic Governance	OPFCC/CC	Assurance			✓
Financial Sustainability – Business Planning	CC	Assurance			✓
Corporate Health and Safety	OPFCC/CC	Assurance			✓
<b>Risk</b>					
Business Continuity	CC	Assurance	✓		
Risk Management Framework	OPFCC/CC	Assurance		✓	
Risk - Insurance	OPFCC/CC	Assurance			✓
<b>ICT</b>					
ICT – Disaster Recovery	OPFCC/CC	Assurance	✓		
Cyber-Security	OPFCC/CC	Assurance		✓	
Management Controls	OPFCC/CC	Assurance			✓
<b>Finance</b>					
Budgetary Control	OPFCC/CC	Assurance	✓		
Payroll	OPFCC/CC	Assurance	✓		

Review Area	Entity	Type	2024/25	2025/26	2026/27
Procurement and Contract Management	OPFCC/CC	Assurance		✓	
Fixed Assets	OPFCC/CC	Assurance		✓	
Debtors	CC	Assurance		✓	
Treasury Management and Banking	CC	Assurance		✓	
Accounts Payable (Creditors)	OPFCC/CC	Assurance			✓
General Ledger	OPFCC/CC	Assurance			✓
Pensions	OPFCC/CC	Assurance			✓
<b>Operational Performance and Infrastructure</b>					
Stop / Search	CC	Assurance	✓		
Body Worn Video	CC	Assurance	✓		
Fleet - Fuel Usage and Fuel Cards	CC	Assurance	✓		
Contractor Vetting	CC	Assurance	✓		
Security of Seized Cash	CC	Assurance	✓		
Use of Force Reporting	CC	Assurance	✓		
Wanted People	CC	Assurance	✓		
Firearms Licensing	CC	Assurance		✓	
Estates – Buildings Health and Safety	OPFCC/CC	Assurance		✓	
Security of Seized Proceeds of Crime -Assets/Property	CC	Assurance		✓	
Fleet - Strategy and Management of Fleet	CC	Assurance			✓
<b>Workforce</b>					
Workforce Planning	CC	Assurance	✓		
Learning and Development	CC	Assurance		✓	
Vetting	CC	Assurance			✓

Review Area	Entity	Type	2024/25	2025/26	2026/27
Management of Overtime	CC	Assurance			✓
Grievance Reporting and Management	CC	Assurance			✓
Recruitment and Retention	CC	Assurance			✓
<b>Follow Up</b>					
Follow Up	OPFCC/CC	Follow Up	✓	✓	✓
<b>Management and Planning</b>					
Annual Planning		Management	✓	✓	✓
Annual Report		Management	✓	✓	✓
Audit Management including JAC Preparation and Attendance		Management	✓	✓	✓
<b>Total Days</b>			<b>180</b>	<b>180</b>	<b>180</b>

## List of Advisory Reviews not included in the audit plan

Below is a list of reviews which are undertaken by our Specialists Staff and are available in addition to the plan.

Review	Indicative High Level Scope
Website Penetration Test	Web application penetration testing is the practice of simulating attacks on a system in an attempt to gain access to sensitive data, with the purpose of determining whether a system is secure. This is done in a safe and secure way with a report identifying weaknesses and remedial action.
Governance Effectiveness Reviews	The review will consider the Senior Managements effectiveness - including whether it has the structure, processes, people and performance to deliver. The review will also consider how they interact with stakeholders, and whether respective roles are clear.
Climate Change	Deep Dive into selected aspects of climate change using a qualified subject matter expert.

## Appendix B: Annual Plan – 2024/25

Quarter	Review	Type	Days	High-level Scope
1	Equality, Diversity and Inclusivity	Assurance	10	The review considers the arrangements which the organisation has put into place arrangements which demonstrate that the organisation operates fairly and equally in its operations. The scope of the review does not include providing assurance that the equal opportunities covers all the activities of the organisation or that the arrangements identified by the organisation are operating continuously and effectively.
1	Contractor Vetting	Assurance	12	The review focusses on the systems and processes for vetting new contractors and the arrangements in place for re-vetting and monitoring of existing contractors.
1	Data Protection and GDPR	Assurance	10	The review considers compliance with the Data Protection Act 2018 incorporating the General Data Protection Requirement including the policies, procedures and systems in place.
2	Stop and Search	Assurance	12	The review assesses the Force’s compliance with the Stop and Search Authorised Professional Practice (APP) and the evidence to support the process operating in a fair, legal, professional and transparent way.
2	Fleet - Fuel Usage (Fuel Card usage std/prem)	Assurance	8	The audit reviews the arrangements in place for ensuring there are appropriate controls in place in relation to fuel usage and security of fuel cards.
2	Use of Force Reporting	Assurance	10	The review considers the reporting arrangements for reporting Use of Force and the categories reported by Cumbria Police. The review will also consider the integrity of the data used to provide the performance reporting.
2	Wanted People	Assurance	12	The review assesses the arrangements in place for Wanted People. A full scope for the audit will be developed with the Force.
3	Budgetary Control	Assurance	8	The review considers the budget preparation process, the monitoring arrangements and reporting. The scope of the review does not include consideration of the assumptions used in preparing the budgets; depreciation policies; apportionment of central costs; or financial information included in tenders prepared by the organisation.

Quarter	Review	Type	Days	High-level Scope
3	ICT – Disaster Recovery	Assurance	10	The review considers the extent to which the organisation has put into place arrangements which provides reasonable but not absolute assurance that the impact on the organisation of any major incident will be minimised. The scope of the review does not include providing assurance that the actual testing of hardware/software etc has been carried out effectively.
3	Business Continuity	Assurance	10	The review considers the arrangements for business continuity planning including policy/strategy and procedures, organisational responsibility, plan details for various scenarios and testing. The scope of the review does not include providing assurance that the business continuity planning covers all the risks faced, or that the arrangements proposed operate continuously and effectively
3	Payroll	Assurance	10	The review considers the arrangements for: the creation, amendment and deletion of payroll records accurately and on a timely basis; payment of allowances and pay awards; collection of overpayments; and payment of salaries. The review will also consider the arrangements for reviewing the payroll prior to authorisation including the review of exception reports and pay variations. The scope of the review does not include determination of salary scales, the HR arrangements for appointment and removal of staff, severance payments or reimbursement of travel and subsistence expenses, or pension arrangements.
4	Workforce Planning	Assurance	12	The review considers the arrangements in place for workforce planning, including the Force’s strategy and the delivery and monitoring of the current plan.
4	Security of Seized Cash	Assurance	10	The review considers the administration and secure retention and release of cash seized under the Proceeds of Crime Act 2002 (POCA).
4	Body Worn Video	Assurance	12	The review considers the arrangements for providing an effective audit trail for the use of body worn video (BWV) cameras including requirements for compliance with legislation including data protection requirements.
1 – 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	2	Assessing the organisation’s annual audit needs.
4	Annual Report	Management	2	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	Management	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>180</b>	



# Internal Audit Charter

## The Need for a Charter

The Audit Charter formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within Cumbria OPFCC and Constabulary 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 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 Cumbria OPFCC and Constabulary's governing body (being the body with overall responsibility for the Cumbria OPFCC and Constabulary) 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 PSIAS and the IIA standards which are articulated in the International Professional Practices Framework (IPPF).

## Scope

All Cumbria OPFCC and Constabulary 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 Cumbria OPFCC and Constabulary 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 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 of Cumbria OPFCC and Constabulary 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 Cumbria OPFCC and Constabulary 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 Cumbria OPFCC and Constabulary 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 PSIAS/IIA standards and Cumbria OPFCC and Constabulary's 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 Cumbria OPFCC and Constabulary and additional time will be required to carry out such testing. Cumbria OPFCC and Constabulary 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 Cumbria OPFCC and Constabulary's 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 PSIAS/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 PSIAS/IIA standards. The Annual Report will include a summary opinion of the effectiveness of Cumbria OPFCC and Constabulary's 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 Cumbria OPFCC and Constabulary 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.

#### 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 Cumbria OPFCC and Constabulary 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 Cumbria OPFCC and Constabulary.

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.

#### Performance Standards

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

Performance Measure	Target
Completion of planned audits.	100%
Audits completed in time allocation.	100%
Draft report issued within 10 working days of exit meeting.	100%
Final report issued within 10 working days of receipt of responses.	100%
Compliance with TIAA's audit charter and PSIAS/IIA Standards.	100%