INDEPENDENT AUDIT COMMITTEE

ANNUAL REPORT 2025/26

[1] Chartered Institute of Public Finance and Accountancy; Practical Guide for Local Authorities and Police, 2022 Edition

Background and overview of 2025/26 activity

This is the eighth annual report of the Dorset and Devon and Cornwall Independent Audit Committee (the Committee or IAC) to the Chief Constables and Police and Crime Commissioners of both Forces (the four corporation sole). It covers the period from April 2025 to March 2026.

We offer the Chief Constables and Police and Crime Commissioners this report to increase understanding of the Committee's work and impact in supporting governance and providing assurance. The Committee seeks openness and, following your consideration, intends to arrange for publication of the report on your websites. The report therefore becomes a public record of the assurance work undertaken by the Committee. A single Committee to provide independent advice and assurance for functions across both Force areas for the two forces was established in 2019. This is a significant benefit with a shared Alliance finance department, single internal audit system and a single external audit provider.

The Committee's terms of reference set out its purpose: to *'provide independent advice, assurance and recommendations to the Chief Constables and Police and Crime Commissioners of Devon & Cornwall and Dorset, on the adequacy of governance and risk management frameworks, internal control environments and financial reporting, thereby helping to ensure efficient and effective assurance arrangements.'* Separate operating principles complement the terms of reference. Both are reviewed and amended at least annually. The scope of the Committee's activities and its terms of reference are shaped heavily by the Chartered Institute of Public Finance and Accountancy (CIPFA) Practical Guidance Code for local authorities and police audit committees. The Committee's terms of reference and operating principles have been reviewed and updated, but without major amendment. One minor change saw the introduction of a requirement to hold at least one meeting annually in person.

Membership of the Committee has been stable, with member roles further strengthened over the past year. This places the Committee in a much stronger position to provide assurance on matters of governance. Those who currently serve on the Committee offer a wealth of experience in public financial management, as well as a depth of knowledge about the specific features of police governance.

After four years as Chair and prior to that, three years as Vice Chair, Tom Grainger stood down at the end of the year. However, he continues as a member of the Committee for the remainder of his term of office to support transition and constructive challenge. The Committee has elected a new Chair, Mark Taylor.

Whilst leadership of three of the four corporation sole has largely remained stable, the announcement of the formal retirement of the previous Chief Constable, and the decision to extend the appointment of an experienced interim, has helped to deliver vital stability and resilience to the Devon & Cornwall Force. Although this has necessitated additional focus on the governance changes and risks for Devon and Cornwall, we are pleased to note that the risks have been identified and managed.

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The Chief Constables and Police and Crime Commissioners have provided timely input and valuable insight into some of the Committee's meetings and members look forward to continuing to build on these constructive and positive relationships.

Following the successful trial of a meeting in person in June 2025, the Committee took the formal decision, in conjunction with senior officers and support staff, to hold our quarterly meetings in person. Meetings are held alternately between the offices in Dorset and Devon and Cornwall. Officer attendance at meetings has been streamlined, with attendance in person requested when the meeting is held at the officer's normal workplace, but online if held elsewhere. This has worked well; allowing the development of relationships with officers, whilst maintaining efficiency in the use of their time. The Committee has also continued to look to take full advantage of technology for meetings, sharing papers and team interaction with the offer of hybrid meeting attendance as appropriate. Members have also met informally (via Teams) between each formal meeting. These meetings help plan future work and share information and knowledge. No decisions are taken at these informal meetings. A lead member themed approach for specific areas of the Committee's work has operated well and helped to support a clear focus and insight into work and reduced the demands made on officers.

It remains the case that during a typical year there are around 100 papers to read and review, along with additional reports and reading from professional organisations. After each Committee meeting a summary of the main issues considered and any areas where further attention may be required is prepared for the heads of the four corporation sole. This also provides a useful record, outside of the formal minutes, of the key issues covered during the year. As in previous years, much of the Committee's work covered the production of budgets, auditing of the accounts, the work of internal and external auditors, risk management arrangements, treasury management activity and the annual governance statements.

Towards the end of the year the Government announced proposals to change police governance arrangements. These included the abolition of Police and Crime Commissioners in 2028, and also an intention to develop proposals to restructure and reduce the overall number of Police Forces. The challenges and risks this brings for the four corporation sole is significant and is therefore a matter that has been added to the Committees' work agendas. This has also been added as a specific new 'themed' Member Lead role to maintain oversight.

In recent years, a great deal of attention has been given to external audit arrangements. Committee members are pleased to see the considerable progress that has been made in the auditing of the Groups' financial statements. The national backstop arrangements have not been necessary. The limited scope opinion given for Dorset had to reflect the carry-over from a lack of opinion on Dorset's pension fund in 2024/25, whilst an unqualified opinion was again given for Devon and Cornwall. Members recognise that the working arrangements and mutual understanding between the officers and external auditors is good and look forward to continued improvements in the timings of the publication of opinions. The Committee remains convinced that this strengthens public accountability and reduces risks.

The CIPFA framework[1] of knowledge and skills for audit committees of police bodies is applied through the year to identify training needs and for self-evaluation. CIPFA

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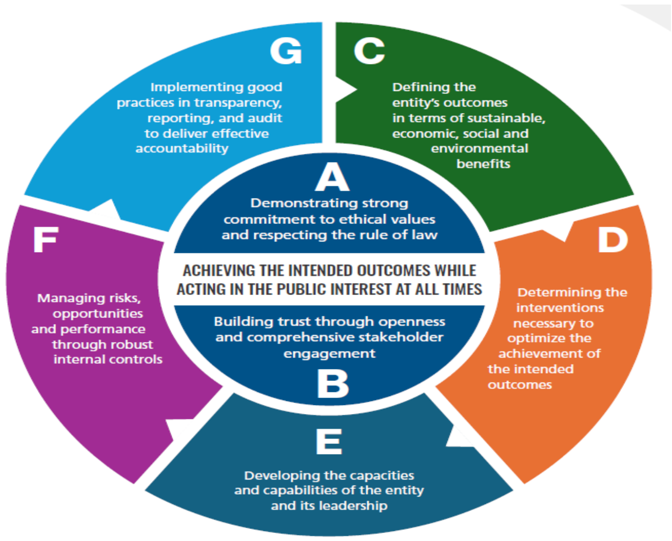
recommends annual evaluation and reporting to the four corporation sole using that framework. The Alliance Head of Audit and Insurance leads on this evaluation and reviews the coverage of the Committee's work and compares this against CIPFA guidance. Areas identified for development or improvement as a direct result of that assessment are covered in the final section of this report. Committee members adhere to the CIPFA guidance. Review meetings between the Chair and each member individually were held in early 2025. These meetings help identify areas for development or training. In addition, informal meetings held by members and the self-assessment that is covered later in this report assist in the development of the Committee.

One significant area of improvement has been in Members' use of police IT systems. In general the laptops in use have proved reliable and access to files and reports is now considerably easier. This has been a considerable help in improving the Committee's effectiveness and efficiency.

The Committee recognises that it cannot achieve its aims without the support, commitment and work of officers. Members value this support and we again place on record our appreciation of the work by many officers and others in supporting the Committee or in preparing and presenting reports and papers. This provides a sound platform for high quality, robust and constructive challenge. The Committee would also specifically like to take the opportunity to place on record the significant contribution made by the Head of Audit and Insurance in her support to the successful operation of the Committees work. Changes have also been made to the Committees administrative and secretarial support during the year. We are grateful for this, and it is pleasing to be able to report that the early operational signs have been positive.

More detail about the Committee's work is in the following sections.

PROMOTING THE PRINCIPLES OF GOOD GOVERNANCE



Our examination during the past year has focused on how such principles are covered in the Annual Governance Statements (AGSs) along with their respective Governance Assurance frameworks and assurance maps. This includes how the corporation sole deal with environmental and sustainability challenges. The governance assurance statements that form part of the AGSs cover several important principles. Principle C deals with defining outcomes for the forces in terms of sustainable economic, environment and social benefits. The priorities and objectives are covered in the Police and Crime Plans. Scrutiny of these plans is a matter for the Police and Crime panels and provides a further

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opportunity to ensure the four corporation sole place appropriate emphasis on long-term sustainability.

The assurance map covers not only both forces, but regional activities too. The assurance map clarifies responsibilities and accountabilities and sets out how independent assurance is obtained. In recognising the important contribution the assurance mapping process can make to the overall opinion of the Committee, it requested further insight and guidance over the approach taken to its completion. Specifically, members are eager to clarify the basis of assurance rankings, the approach taken to support these and the degree of independent evidence involved in informing such assessments. This will help to clarify both the level of assurance coverage and the robustness of assurance outcomes delivered through this process.

Our primary role is to ensure that we can adequately assess the effectiveness of the governance frameworks in place to deliver good governance. It is important that the Committee does not become involved in the assessment of operational performance. Instead, we must retain our focus on assessing assurance for the Police & Crime Commissioners and Chief Constables, as the individuals responsible for governance.

To enable the IAC to deliver on its requirements we regularly receive reports, hold meetings and engage in other ad-hoc discussions to support our process of objective and timely assessment and challenge. The principal key sources of information through which we assess our opinion on governance are:

- Annual Governance Statements (AGS)
- Risk Management Framework
- Internal Audit
- External Audit (incl. Value for Money)
- Assurance Mapping
- Financial Management Framework – *Budgeting, Treasury Management, Financial Statements*

Comments on these are found throughout our Annual Report.

The Committee also receives regular governance updates on any revisions to regulatory requirements and standards *(e.g., Public Sector Internal Audit Standards etc.)* to ensure that we are alert to and, where necessary, make changes to adjust our approach and focus.

A primary source of annual assurance for the IAC is the process and content of the Annual Governance Statements (AGS). The AGSs were considered at our meetings in April 2025 and April 2026. All four corporation sole have produced an individual AGS. This enables each to reflect and report on the specific and distinct responsibilities that each has in the overall governance framework.

The Committee sought confirmation that each AGS is supported by an evidence base. This is compiled and assessed in relation to recognised CIPFA guidance. They draw upon and make direct reference to internal and external audit opinions, risk management, assurance mapping and financial management arrangements. This enables each of the corporation sole to undertake an objective and informed judgment against each of CIPFA's seven principles of 'Delivering Good Governance'. If any gaps are identified, or it is felt that further development actions would be beneficial in improving the governance

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framework, these are captured and listed as the Key Areas for Development with published timescales for completion. The inclusion of these issues confirms to the IAC that there is a clear awareness, recognition, openness and transparency of those significant strategic governance challenges that each are currently facing. A further level of assurance on the AGS is also provided through the external auditors, who also independently assess, and provide their opinion.

Effective control environment and supporting the quality and independence of internal audit

An over-riding consideration for the Committee arose from the government announcement that OPCCs were to be abolished and replaced by alternative arrangements. The challenge to maintaining an effective control environment during the transitional period was highlighted by the Committee, together with a desire to keep the implications of change within view. A standing item on the IAC agenda was requested and added with a view to constant monitoring of the situation.

The Committee recognised the difficulties caused by the introduction of the 'Priority Based Budgeting'(PBB) process and noted that governance arrangements had been scaled back during the summer to allow senior staff to focus upon and prioritise this work.

The updated Dorset and Devon and Cornwall Codes of Corporate Governance (*incl. Financial Regulations and Standing Orders*) were noted by the Committee, and enhanced budget responsibility was welcomed.

The Committee considered and approved draft internal audit plans proposed by the South West Audit Partnership (SWAP), prepared on a rolling basis. These plans were aligned to the key components in the Force Management Statements. The internal audit plan makes clear the extent of coverage of functions i.e. good, adequate, or some coverage; as well as where there was none. Where there is no coverage SWAP advised that such assurance should be sought from other sources, including reports from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). The different sources of assurance were reported in the annual assurance map. This confirmed that a governance mechanism to identify sufficient and appropriate assurances was in place for the corporation sole.

The Committee also reviewed and accepted the Internal Audit Charter describing functional reporting arrangements, scope and authority of internal audit work and quality requirements of the internal auditor. SWAP had been advised that the charter needed further development to recognise the unique governance structures found within the police sector and the independence of the IAC. The outcome of an external quality assessment (EQA) was reported, concluding that SWAP 'generally conforms' with the PSIAS, which was the highest conclusion available.

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The Committee gave regular support to internal audit and constructive challenge to the executive by reviewing the plan and progress reports at each of its quarterly meetings. This included considering any significant weaknesses, management responses to address these and the target dates for action. Provision of full audit reports outside of Committee papers allowed detailed findings, management responses and target dates for implementation to be reviewed. Members reviewed these and raised questions at the following meeting. The Committee requested re-instatement of the timelines to allow challenge of any significant gaps from the start of an audit to reporting. The Committee was assured by the routine monitoring of audit recommendations being implemented through audit governance arrangements. Any amendments to the agreed plan for internal audits, whether additional, deferred or replaced, were also considered quarterly by the Committee.

In June 2025, SWAP brought its 2024/25 Annual Report for the four corporation sole to the Committee. The Audit Opinion stated: “On the balance of our 2024/25 audit work for Dorset Police & OPCC and Devon and Cornwall Police & OPCC, enhanced by the work of external agencies, I am able to offer a Reasonable Assurance opinion in respect of the areas reviewed during the year.”

Arrangements for the governance of risk

Risk management updates are given twice yearly, with full risk registers made available to members on their dedicated disk drive. Papers from meetings indicated that risk management strategies were tailored to address specific threats facing the forces, including cyber threats, public safety issues and fluctuating funding landscapes. Reports also evaluated the strategic response to these risks and the adequacy of risk mitigation measures.

IAC members find the framework and arrangements for the governance of risk to be effective. These will be further enhanced by statements of risk appetite presently under development.

Under the Force Management Risk Registers (FMRR) process, each area of the Force is proactively scrutinised, and a Risk Statement produced. The process is designed to work in conjunction with the Force Management Statements. These identify and record the actions required to mitigate the risks and track their progress to address them.

Regular assessments of internal control systems were a recurring theme in the IAC papers. The Committee required documented assurances regarding the effectiveness of these systems, which form the backbone of robust risk management practices. The formal recording of Devon & Cornwall Force risk controls was identified as an outstanding issue, and work was started to formalise this. Dorset reported improved reporting, and a review of policy and procedures.

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The Committee was pleased to note that risk deep dives into departments in the Strategic Alliance are being conducted at bi-monthly Joint Executive Board (JEB) meetings. The JEB have adopted a single set of risk scoring guidelines across both forces and the Strategic Alliance departments to increase the consistency of risk scoring. The JEB also agreed to the creation of a Strategic Alliance Risk Register drawing from the two forces individual risk registers.

Vetting performance was identified by the Committee as a key risk, and assurance sought that KPIs were being developed for reporting to the appropriate board. Assurance was also sought and provided around the arrangements for the OPCC risk register, with an offer for increased visibility at future meetings.

Assurance frameworks and assurance planning

Regular reports from external and internal audit at each meeting provided information on the effectiveness of assurance frameworks in practice. It was noted that the strategic boards within the four corporation sole performed an important role in the assurance framework. The Committee was keen to supplement rather than duplicate their work. The annual workplan covered the review of key documents such as Annual Governance Statements and Treasury Management reports.

The independence of SWAP was underlined in its draft Internal Audit Charter, defining its role as an 'independent, objective assurance and consulting activity', with no responsibility for any of the activities which it audits. Members of the Executive declared any interest as a director of SWAP or membership of its Owners Board on behalf of regional forces.

The Committee continues to monitor progress against the actions and recommendations from the internal auditors. External audit is dealt with elsewhere in this report.

The uncertainty surrounding future funding levels together with the inflationary pressures imposed on the forces were noted, together with the introduction of Priority Based Budgeting (PBB). It was recognised that good assurance was central to being up to date on current risks and mitigation for the forces and OPCC. The Internal Annual Opinion Report was reported at the IAC meeting in June 2025, with separate annual opinion reports being requested for each force in future.

Further work on assurance mapping was noted, and analysis of average opinions for areas of police operation was provided to members. Consideration was given to whether overall average opinions could be provided for the different sources of assurance.

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Supporting the development of robust arrangements for Value for Money (VfM)

The Committee continues to take a wide view on what constitutes robust arrangements. VfM can be measured in several ways which evidence improving economy, efficiency and effectiveness. This is now more prevalent in the current economic environment with the effect of inflation impacting upon all the resources to deliver the service on a day-to-day basis. This meant that the Committee continued to look in depth and challenged the governance and the financial sustainability over the medium term which included the 2025/26 forecast outturn position and both forces savings plans, the Medium-Term Financial Plan (MTFP), cash flow forecast and the reserves policy.

These areas were constantly reviewed throughout 2025/26. Both forces have dealt well with this pressure during 2025/26. However, the 2026/27 budget has been challenging for all forces coupled with a late financial settlement from the Home Office, only covering one year, whereas Local Government received a three-year multiyear settlement.

It was pleasing that both 2024/25 Value for Money Reports from the External Auditor for both PCC's showed improvements from 2023/24, and these were discussed in significant detail at the December meeting.

Assurance was gained from all four comprehensive Annual Governance Statements for all corporation sole, including deep dives on risk management arrangements, budget planning and monitoring, audits and HMICFRS performance dashboard.

In addition to informing business cases and plans to achieve savings, the 2026/27 budget process incorporated greater use of the data. Both forces also produced a Going Concern Report and Resilience Review.

External audit and inspection

The role of the Committee includes considering the work of the appointed external auditors, Grant Thornton (GT), for all four corporation sole. Public Sector Audit Appointments Ltd (PSAA) is responsible for appointing the external auditors. The appointed auditors provided written reports and were represented at all Committee meetings.

During the year the Committee discussed the actions that addressed the previous delays being experienced by both forces to the delivery of audited financial statements. The Committee were assured that this risk had been reduced. At each of its meetings the financial and value for money arrangements

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were discussed and we took assurance from the external and internal audit assessments. The Committee recognised that considerable progress had been made during 2025 and that the financial management in all four corporation sole continued to be strong. The greatest risk remained the adverse impact on the workflow and wellbeing of the Finance team given the continued and sustained pressure.

The progress achieved in 2025 meant that the 2024/25 accounts for all four corporation sole were signed off on the 17 December 2025, and the Committee were pleased to note that the 2025/26 accounts would be back to a normal timetable.

Promoting effective public reporting of accounts, partnership governance and accountability

The continuing difficulties associated with completing the external audit of the financial statements across the country were discussed at every meeting of the Committee. However, a major focus was around the process of addressing the audit backlog and implementation of the backstop arrangements, along with the potential consequence of receiving qualifications in the auditor's opinion. The accounts and audit finding reports were considered at the December 2025 meeting, with clear updates from Grant Thornton at each meeting leading up to the sign off of the financial statements. The Committee also considered the Chief Finance Officers' narrative and outturn reports and the accounts for Dorset and Devon and Cornwall were also examined in detail. It was pleasing that the statutory deadlines were met, and all the 2024/25 accounts were signed off on 17 December 2025.

As in previous years, the main questions and challenges about the accounts covered the valuation of property and pensions, as well as timing of the pension audits. The Committee compares differences in accounting treatment or approach to items such as the required level of reserves.

This is the strength of a committee covering both Force areas as it helps with comparative information. In all cases the officers provided explanations. This allowed the Committee to provide assurance over the quality and depth of financial reporting, despite external challenges.

The major area of partnership continues to be the joint arrangements between the two Forces. Governance of these areas is dealt with in the comprehensive Annual Governance Statements (AGSs).

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Ethical Values ***(incl. Fraud & Corruption)***

The Committee was pleased to see that the focus and emphasis on strong ethical values in both Forces continue. The national environment of high ethical expectations of Police Forces continues and must remain a high priority. During the course of the year both Forces reported to the Committee on ongoing activity to embed the January 2024 Code of Ethics, by way of training assessment and engagement. To strengthen the Committee's oversight, Committee Member O'Connell will receive invitations to attend both Forces' Ethic Committees as Observer.

The Annual Fraud and Corruption report was presented in December, with the process strengthened, to improve policies. The annual Money Laundering Risk Assessment was presented to the Committee.

Treasury Management

The Committees' role is to provide assurance that the components of effective Treasury Management are established, applied and actions taken to deal with changes in circumstances. To fulfil this role effectively the Committee accesses annual training and considers extensive reports.

The Committee reviewed Treasury Management strategies for 2026/27 at its December 2025 meeting,the inter-relationships with capital and borrowing strategies is considered alongside performance outcomes against all strategies. This enabled the Committee to provide assurance that effective arrangements are established in both Force areas. Recognition of the emphasis that must be placed on reducing risk was evident in the strategies. At the meeting in April 2026 the Committee also received its 2025/26 mid-year report from the two OPCC Treasurers which ensured compliance with the Prudential and Treasury Management code revisions which were changed for this reporting year.

The strategies continued to follow an approach acknowledging how increasing interest rates require a mixed approach to the use of internal borrowing and short-term loans. Importantly, operational arrangements mean that changes can be made dependent on the fluctuation of interest rates to ensure the safest and best use of working capital.

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Membership and Plans for 2026/27

Towards the end of each year an assessment and evaluation of the Committee's role and work is carried out. The evaluation is undertaken by the Head of Audit & Insurance against the revised CIPFA guidance and helps to identify areas where the Committee will consider further coverage or give greater emphasis to its work in the following year. In addition, the Head of Audit & Insurance Manager and each Committee member completes CIPFA's self-assessment of good practice. These evaluations and self-assessments also help to identify training requirements. A copy of the Head of Audit & Insurance's evaluation for 2025/26 is attached as an Appendix.

In last year's evaluation a few issues were raised for consideration or adoption during 2025/26. As a result:

- An annual 'in-camera' meeting will be held between the internal and external audit teams and the Committee.
- Revised committee administrative support arrangements have been put in place.

Over the last two years, each member has taken on a lead role for themes which fall under the Committee's agreed Terms of Reference. These cover:

- Financial planning and reporting, external auditing, treasury management
- Equality and diversity, ethics, values, counter fraud and corruption
- Internal audit and risk management
- Governance framework, including AGS and sources of assurance (mapping)
- Committee planning, operation, co-ordination, reporting, training and development, relationships with other IACs and principal liaison with officers

In addition, and to reflect the significance and importance of the recent Government announcements on Police Governance & Reform, an extra 'theme' has also been added:

- Police Reform and Governance Transition Arrangements

The arrangement is generally working well, with greater focus and attention being given to some key aspects of the Committee's work. Given the changes in the membership of the Committee, fresh ideas and emphasis have been evident as the lead member role is assumed by the new members. 2026-27 will see further progress as a result of the fresh impetus.

The self-assessment and review by the Head of Audit & Insurance uses the CIPFA guidance, which poses 29 questions under four broad headings. These are:

- Audit committee purpose and governance
- Functions of the committee

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- Membership and support
- Effectiveness of the committee

Full compliance is scored 5 (out of 5). The following questions scored less than 5, with no score less than 3.

- Does the governing body hold the audit committee to account for its performance at least annually?
- Has the committee met privately with the external auditors and head of internal audit in the last year?
- Has an evaluation of knowledge, skills and the training needs of the chair and committee members been carried out within the past two years?
- Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?
- Do audit committee recommendations have traction with those in leadership roles?
- Has the committee evaluated whether and how it is adding value to the organisation?

It is pleasing to be able to report that the findings from our latest Self-Evaluation exercise have again been extremely positive. These are captured in the IAC Development Plan, which supports the committee's commitment to a process of continuous improvement.

Our internal auditors also periodically undertake independent assessments of the committee's work and provide an opinion on our effectiveness. Such a review is currently underway and will also help to identify and inform any further areas for further attention and improvement.

Conclusion
Our Annual Report provides an overview of our role and a summary of those key areas of activity that we have actively considered, sought assurance and advised upon over the last year. It sets out how we have sought to positively contribute to *'those charged with governance'* against our responsibilities as detailed within our approved Terms of Reference. It also supports our ongoing commitment to continuous improvement and provides information on how the committee uses assessment and evaluation to achieve this.

IAC Committee Members:

Tom Grainger – (Chair *to April 2026*)

Mark Taylor (Chair *from April 2026*)

Phil Rook (Vice-Chair)

Gordon Mattocks

Steve O'Connell (appointed April 2025)

Rachel Tiffen (Resigned March 2025)

Appendix 1 – Evaluating the impact and effectiveness of the audit committee 2025/26

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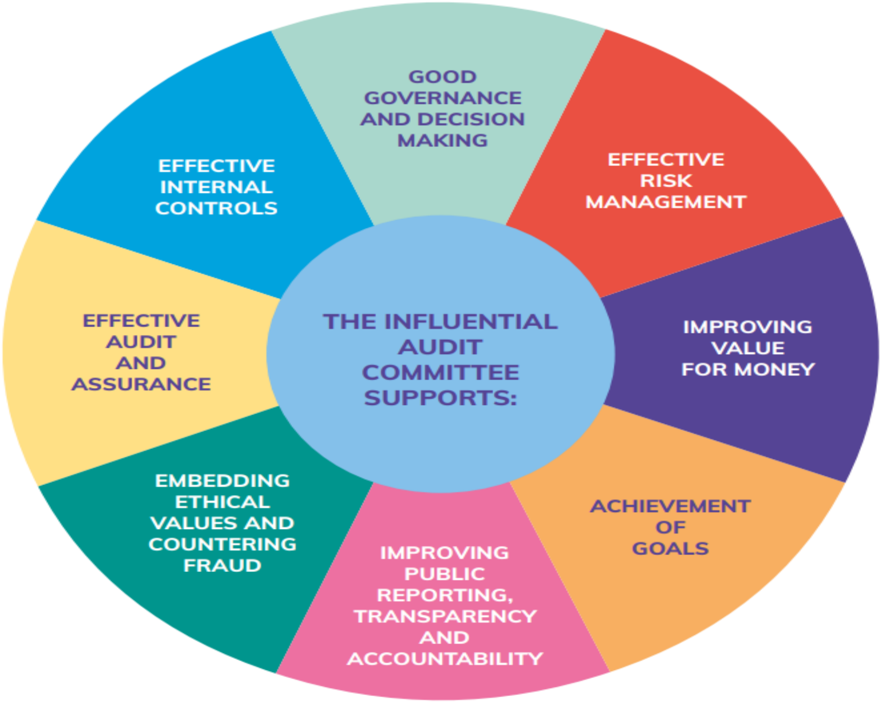
Appendix 1

Evaluating the impact and effectiveness of the audit committee 2025/2026

The audit committee's effectiveness should be judged by the contribution it makes to and the beneficial impact it has on the Force and OPCC business. Since it is primarily an advisory body, it can be more difficult to identify how the audit committee has made a difference. Evidence of effectiveness will usually be characterised as 'influence', 'persuasion' and 'support'.



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Areas where the audit committee can have impact by supporting improvement	Examples of how the audit committee can demonstrate its impact	CIPFA Key indicators of effective arrangements	Your evaluation: strengths, weaknesses and proposed actions
Promoting the principles of good governance and their application to decision making.	• Supporting the development of a local code of governance. • Providing a robust review of the AGS and the assurances underpinning it. • Supporting reviews/audits of governance arrangements. • Participating in self-assessments of governance arrangements. • Working with partner audit committees to review governance arrangements in partnerships.	• The leadership team and senior managers all share a good understanding of governance, including the key principles and local arrangements. • Local arrangements for governance have been clearly set out in an up-to-date local code. • Scrutiny arrangements are forward looking and constructive. • Appropriate governance arrangements established for all collaborations and arm's-length arrangements. • The head of internal audit's annual opinion on governance is satisfactory (or similar wording).	***Local Code (Code of Corporate Governance) presented to IAC for review every two years for the update. Draft AGS reported to IAC for comment prior to finalisation by the S151 Officers and Chief Executives of OPCC. Detailed evidence to support its preparation stored on the Audit Committee Drive for reference.*** ***A Governance Assurance Statement is also prepared for both forces which sets out how they comply with the "Principles for good governance in the public sector (Principle A to Principle G)". This document supports the AGS and is shared with IAC Members on their secure drive.*** ***Lack of reporting on governance arrangements for collaborations and arm's length arrangements. (Regional Forensics / ROCU / Regional Procurement / Pensions Board). This is an area reported within the AGS for 2025/26. SWAP is undertaking a regional audit on this area, commencing 2026. Obviously, the biggest collaboration is the Alliance which is reported upon regularly due to IAC being a joint Committee. SWAP have created training and engagement with other local police audit committees which is available to all IAC Members.***

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Contributing to the development of an effective control environment.	• Encouraging ownership of the internal control framework by appropriate managers. • Actively monitoring the implementation of recommendations from auditors. • Raising significant concerns over controls with appropriate senior managers.	• The head of internal audit's annual opinion over internal control is that arrangements are satisfactory. • Assessments against control frameworks such as CIPFA's FM Code have been completed and a high level of compliance identified. • Control frameworks are in place and operating effectively for key control areas – for example, information security or procurement.	***Assurance Map has continued to develop during 2025/26 and will be developed further in 2026/27 to ensure oversight of the assurance framework.*** ***Audit Action reports have been presented quarterly to IAC during 2025/26.*** ***Ability for the committee to request attendance at IAC for explanations on delays in implementing audit actions was introduced within 2025/26.*** ***Key Financial Control audits are undertaken annually as part of the Internal Audit Plan.*** ***CIPFA FM Code assessment was not completed within 2025/26 but will be scheduled for 2026/27.***
Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks.	• Reviewing risk management arrangements and their effectiveness, eg risk management maturity or benchmarking. • Monitoring improvements to risk management. • Reviewing accountability of risk owners for major/strategic risks.	• A robust process for managing risk is evidenced by independent assurance from internal audit or external review.	***A six-monthly update is presented to IAC, together with copies of the Risk Registers available to IAC members on their network drive.*** ***OPCC risk management is not something currently reported to IAC.***
Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.	• Reviewing the adequacy of the leadership team's assurance framework. • Specifying the committee's assurance needs, identifying gaps or overlaps in assurance. • Seeking to streamline assurance gathering and reporting. • Reviewing the effectiveness of assurance providers, eg internal audit, risk management, external audit.	• The authority's leadership team have defined an appropriate framework of assurance, including core arrangements, major service areas and collaborations and external bodies.	***Assurance framework is spread across the force.*** ***SWAP have delivered an overall assurance dashboard for both forces, which includes internal assurance coverage being fed into the dashboard. This gives more of an overall assurance picture. Ongoing development of the assurance picture with the Internal Audit & Insurance team will continue through 2026/27.***

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Supporting effective external audit, with a focus on high quality and timely audit work.	• Reviewing and supporting external audit arrangements with focus on independence and quality. • Providing good engagement on external audit plans and reports. • Supporting the implementation of audit recommendations.	• The quality of liaison between external audit and authority is satisfactory. • The auditors deliver in accordance with their audit plan, and any amendments are well explained. • An audit of high quality is delivered.	***The external audit system has started to return to normal delivery within 2025/26 and continues to recover. There will be a gradual return to better compliance with national publication targets being re-evaluated.*** ***IAC meet independently with External Audit for effective support and oversight.***
Supporting the quality of the internal audit activity, in particular underpinning its organisational independence.	• Reviewing the audit charter and functional reporting arrangements. • Assessing the effectiveness of internal audit arrangements, providing constructive challenge and supporting improvements. • Actively supporting the quality assurance and improvement programme of internal audit.	• Internal audit that is in conformance with PSIAS and LGAN (as evidenced by the most recent external assessment and an annual self-assessment). • The head of internal audit and the organisation operate in accordance with the principles of the CIPFA Statement on the Role of the Head of Internal Audit (2019).	***IAC meet independently with Internal Audit for effective support and oversight.*** ***The audit charter sets out that SWAP complies with the PSIAS and LGAN, which is presented to IAC. An external assessment of SWAP is undertaken every 5 years. This was undertaken in December 2024 and a 'generally conforms' opinion was provided, this being the top rating with the highest level of assurance achieved. The improvement plan for SWAP has not been seen for IAC to actively support.***
Aiding the achievement of the authority's goals and objectives by helping to ensure appropriate governance, risk, control and assurance arrangements.	• Reviewing how the governance arrangements support the achievement of sustainable outcomes. • Reviewing major projects and programmes to ensure that governance and assurance arrangements are in place. • Reviewing the effectiveness of performance management arrangements.	• Inspection reports indicate that arrangements are appropriate to support the achievement of service objectives. • The authority's arrangements to review and assess performance are satisfactory.	***Annual Governance Statement for all four corporation soles are presented to IAC in draft format for comment and consideration.*** ***The review of Major Projects governance is not part of the Document Forward Plan for IAC. But can be raised as an area that they require assurance on at any time.*** ***Performance Management arrangements are reviewed by the Police & Crime Panel and are not currently part of the forward plan work for IAC.*** ***HMICFRS Force Inspection reports do not specifically get reported to IAC, but all reports are published online for IAC Members to review.***

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Supporting the development of robust arrangements for ensuring value for money.	• Ensuring that assurance on value-for-money arrangements is included in the assurances received by the audit committee. • Considering how performance in value for money is evaluated as part of the AGS. • Following up issues raised by external audit in their value-for-money work.	• External audit's assessments of arrangements to support best value are satisfactory.	***An annual report on a review of the Value for Money reports prepared by CIPFA is presented to IAC.*** ***Issues they raise are made to the Head of Finance and S151's who attend the Committee.*** ***External Audit and HMICFRS also report on Value for Money.***
Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.	• Reviewing arrangements against the standards set out in the *Code of Practice on Managing the Risk of Fraud and Corruption* (CIPFA, 2014). • Reviewing fraud risks and the effectiveness of the organisation's strategy to address those risks. • Assessing the effectiveness of ethical governance arrangements for both staff and governors.	• Good ethical standards are maintained by both elected representatives and officers. This is evidenced by robust assurance over culture, ethics and counter fraud arrangements.	***Fraud reporting is reported to IAC every six months, and fraud assurance is mapped and reported annually.*** ***Annual reports on NFI findings are presented to IAC. An annual update on the Ethics Committee and activities undertaken in both forces is presented to IAC. Actively monitoring adherence to the code of ethics.*** ***A Fraud Risk Register is maintained by the Head of Audit & Insurance.***
Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.	• Working with key members/the PCC and chief constable to improve their understanding of the AGS and their contribution to it. • Improving how the authority discharges its responsibilities for public reporting – for example, better targeting the audience and use of plain English. • Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encourages greater transparency. • Publishing an annual report from the committee.	• The authority meets the statutory deadlines for financial reporting with accounts for audit of appropriate quality. • The external auditor completed the audit of the financial statements with minimal adjustments and an unqualified opinion. • The authority has published its financial statements and AGS in accordance with statutory guidelines. • The AGS is underpinned by a robust evaluation and is an accurate assessment of the adequacy of governance arrangements.	***The preparation of the financial reports and the publication of the audited accounts is achieved within the statutory deadlines.*** ***The AGS is reviewed by IAC at the draft stage to ensure it meets the needs to better target the audience and the use of plain English.*** ***Governance Assurance Framework documents shared with IAC outside of the committee papers to show how the evidence is collated to accurately assess the adequacy of governance arrangements.*** ***An annual report is prepared by IAC every year and published, to ensure transparency and accountability.***

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