

SCOTTISH POLICE  
AUTHORITY

<b>Meeting</b>	<b>SPA Audit Committee</b>
<b>Date</b>	<b>11 September 2018</b>
<b>Location</b>	<b>Pacific Quay, Glasgow</b>
<b>Title of Paper</b>	<b>Internal Audit Report for Assurance Framework</b>
<b>Item Number</b>	<b>4.5</b>
<b>Presented By</b>	<b>Elizabeth Young, Director, Scott-Moncrieff</b>
<b>Recommendation to Members</b>	<b>Members are requested to note the report.</b>
<b>Appendix Attached</b>	<b>Internal Audit Report – Assurance Framework</b>

**PURPOSE**

This paper outlines a suggested approach for the development of an assurance framework.

The paper is submitted for noting.

## 1. BACKGROUND

- 1.1 Recent revisions to the Scottish Government Audit and Assurance Committee Handbook have highlighted the importance of assurance frameworks. The Handbook now suggests that, in order to properly fulfil their role, audit committees should be provided with an assurance framework described as:
  - 1.1.1 “At its simplest, this will identify all the key sources of assurance in the organisation and seeks to orchestrate them to best effect. This can help to ensure that gaps are reduced or eliminated and unnecessary duplication avoided.”
- 1.2 Assurance frameworks build on the “three line of defence” model by considering the role of all of the assurance providers under each line and the level of comfort that their work provides. In other words, the development of an assurance framework will clearly demonstrate to the audit committee members:
  - 1.2.1 The breadth of assurance they receive
  - 1.2.2 The strength or quality of that assurance
  - 1.2.3 Any areas where they need more assurance than they currently receive (or are receiving assurance they don’t need).
- 1.3 Accountable Officers can also use the assurance framework when considering the systems of internal control, governance and risk management and preparing their annual governance statement.

## 2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 The Audit Committee is asked to consider the need for further work on assurance mapping, building on the work done in 2014. Initially, this should engage the key external or “third line of defence” assurance providers.

Next steps: We will consider feedback from the audit committee on the development of an assurance framework and engage with SPA, Police Scotland and key assurance providers such as HMICS, PIRC and the Scottish Government to implement the agreed approach.

## 3. FINANCIAL IMPLICATIONS

3.1 There are no financial implications arising as a direct result of this report.

**4. PERSONNEL IMPLICATIONS**

4.1 There are no personnel implications associated with this report.

**5. LEGAL IMPLICATIONS**

5.1 There are no legal implications associated with this report.

**6. REPUTATIONAL IMPLICATIONS**

6.1 There are no reputational implications arising from with report.

**7. SOCIAL IMPLICATIONS**

7.1 There are no social implications directly associated with this report

**8. COMMUNITY IMPACT**

8.1 There are no community impact implications directly associated with this report.

**9. EQUALITIES IMPLICATIONS**

9.1 There are no equalities implications directly associated with this report.

**10. ENVIRONMENT IMPLICATIONS**

10.1 There are no environmental implications associated with this report.

**RECOMMENDATIONS**

Members are requested to note the report.



# Scottish Police Authority

## Developing an assurance framework

August 2018



Scott-Moncrieff  
business advisers and accountants



# Scottish Police Authority

## Developing an assurance framework

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# Overview

## Background

Recent revisions to the Scottish Government Audit and Assurance Committee Handbook have highlighted the importance of assurance frameworks. The Handbook now suggests that, in order to properly fulfil their role, audit committees should be provided with an assurance framework described as:

*“At its simplest, this will identify all the key sources of assurance in the organisation and seeks to orchestrate them to best effect. This can help to ensure that gaps are reduced or eliminated and unnecessary duplication avoided.”*

Assurance frameworks build on the “three line of defence” model by considering the role of all of the assurance providers under each line<sup>1</sup> and the level of comfort that their work provides. In other words, the development of an assurance framework will clearly demonstrate to the audit committee members:

- The breadth of assurance they receive
- The strength or quality of that assurance
- Any areas where they need more assurance than they currently receive (or are receiving assurance they don't need).

Accountable Officers can also use the assurance framework when considering the systems of internal control, governance and risk management and preparing their annual governance statement.

## History of Assurance Mapping within SPA

In March 2014, staff presented an assurance map to the Audit and Risk Committee. The assurance map provided a single view of all assurance provided across Scottish Policing for SPA members and the Accountable Officer. This included functions delivered by both Police Scotland and the SPA.

In addition to assurance provided by internal functions and management over the control framework, the map also considered assurance provided by third party providers. Whilst the core function of some of the external assurance providers is not to provide assurance for SPA, SPA can gain assurance from the work they complete. These third parties include:

- Internal and external audit
- The Scottish Government, including Gateway Reviews
- HMICS
- UKAS
- Local scrutiny bodies
- PIRC

The aim of the assurance map was to inform the prioritisation of assurance work within the control of SPA, such as Internal Audit. In developing an up-to-date map, SPA could work with external parties to coordinate this activity further going forward.

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<sup>1</sup> First line: Management review, Second line: Compliance / internal review, Third line: Independent review

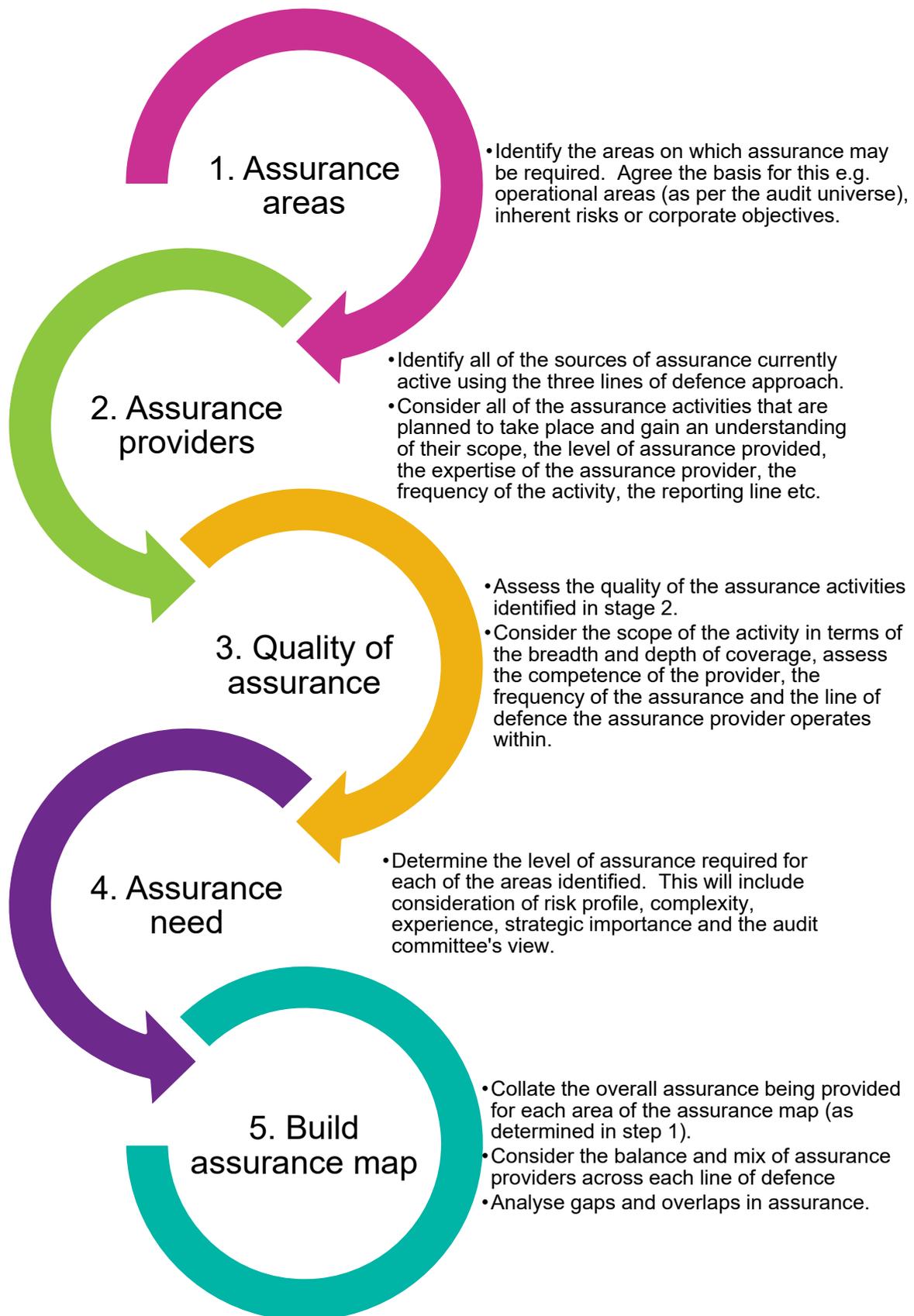
## Conclusion

The Audit Committee is asked to consider the need for further work on assurance mapping, building on the work done in 2014. Initially, this should engage the key external or “third line of defence” assurance providers.

# Our approach

Our assurance mapping methodology breaks the process down into five key stages:

- **Assurance Areas:** We will work with you to identify all of the key areas of your organisation where assurance may be required
- **Assurance Providers:** We will confirm and document your current sources of assurance
- **Quality of Assurance:** We will assess the quality of assurance activities identified and rate these according to pre-agreed criteria including consideration of the frequency and scope of the activity, as well as the expertise of the assurance provider.
- **Assurance Need:** We will facilitate a workshop with your senior management team and/or audit committee members to identify your current 'assurance need' for each area of your organisation
- **Assurance Map:** We will consolidate all of the information gathered throughout our review and present you with an assurance map.



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