Police and Crime Commissioner for Derbyshire
Chief Constable for Derbyshire

JOINT AUDIT RISK AND ASSURANCE COMMITTEE

ANNUAL REPORT 2025/26

Policing Governance

Police governance is vested in the elected Police and Crime Commissioner for Derbyshire. It is the responsibility of the Commissioner to appoint the Chief Constable and to hold the Chief Constable to account for the efficient delivery of policing in the area. The Commissioner also produces a Police and Crime Plan and sets the budget and policing precept. The Police and Crime Panel holds the Commissioner to public account between elections. The Commissioner is Nicolle Ndiweni-Roberts.

The Chief Constable retains responsibility for operational policing, and has direction and control of all police officers and staff who do not directly support the Commissioner. The Chief Constable in 2025/26 was Rachel Swann who subsequently retired in May 2026 with Simon Blatchley currently acting up as Chief Constable.

Current Home Office guidance is that Commissioners and Chief Constables will be supported by independent Audit Committees. In Derbyshire, this is the Joint Audit Risk and Assurance Committee or JARAC.

The purpose of the JARAC is to provide independent assurance to the Commissioner and Chief Constable on:

- The adequacy of risk management and the internal control framework operated by the Commissioner and the Chief Constable.
- The effectiveness of their respective governance arrangements including providing for value for money services.
- The appointment, support and review of the work of internal and external auditors in their provision of assurance on risk management, internal controls and the annual accounts through their work.
- The financial reporting process, including:
    - undertaking appropriate scrutiny of annual accounts, with advice from External Audit and
    - Review of budget setting process and assumptions and in-year monitoring
- The arrangements to detect fraud and prevent bribery and corruption. Including ensuring that effective complaints and whistle-blowing arrangements exist, together with proportionate and independent investigative arrangements.

The JARAC is a non-executive committee and works to Terms of Reference approved by the Commissioner and the Chief Constable, based on national professional guidance from the Chartered Institute of Public Finance & Accountancy. The JARAC operates in line with the principles of good governance and reviews its terms of reference and self appraises its performance each year.

JARAC membership

In Derbyshire, there are 6 JARAC members, all independent of the Commissioner and the Chief Constable. The members are appointed through an open recruitment process and selected on the basis of experience and expertise. They have been appointed for a term of 5 years. The members for the 2025/26 financial year were:

- Sue Sunderland (Chair)
- Andrew Jenkinson (Deputy Chair)
- Lee Harrold
- Barry Mellor
- Joanne Charlton
- Samantha Beecham

JARAC meetings

The JARAC meets in public at least 4 times a year, usually at Constabulary HQ at Ripley. A programme for the annual cycle of JARAC meetings exists and this was reviewed and extensively updated in January 2021. Changes were implemented with immediate effect but the cycle has been disrupted by the ongoing delays in the delivery of the external audit. As the external audit stabilises a further review of the forward plan would be helpful.

The meetings for 2025/26 were as follows:

Month	Main topic(s)
April	External Audit - plan for 2024/25 audit and progress report Internal Audit – plan for 2025/26 audit and progress report Force policy review – critical incident policy Complaints performance – Force & OPCC Year end accounting arrangements and accounting policies 2024/25 Financial monitoring and planning Data quality update Environmental strategy update HMIC activity update Stock control update Closed session
July	Internal Audit reports including annual report 2024/25 External Audit – update Draft statements of accounts for 2024/25 Annual Governance Statements for 2024/25 Annual financial exception reporting Financial monitoring and planning Risk management – Force & OPCC Savings programme update Procurement update Closed session

October	External Audit – progress report Internal Audit – progress and reports Financial monitoring and planning Force policy review – contract management policy Complaints performance – Force and OPCC JARAC Annual report Closed session including assurance framework and strategic plan
December	Extraordinary meeting focusing on progress of the external audit of the 2024/25 financial statements
January	External Audit – Audit Findings report on 2024/25 financial statements plus plan for 2025/26 Internal Audit progress and reports plus plan for 2026/27 Financial monitoring and planning Financial handbook update Risk management – Force & OPCC Force policy review – information sharing policy Workforce and planning Transport update Health & safety training, compliance and inspections OPCC complaints update Closed session
February	Extraordinary meeting to receive updated external audit findings report and recommend to the Chief Constable and Commissioner that the accounts for 2024/25 should be signed off.

The detailed papers and minutes are available via the Commissioner's website The Joint, Audit, Risk and Assurance Committee Meetings | Office of the Derbyshire Police and Crime Commissioner (derbyshire-pcc.gov.uk)

Specific issues of note

Links with Police and Crime Commissioner and Chief Constable

As the key aim of the JARAC is to provide the Commissioner and Chief Constable with the assurances that they need we have welcomed the sustained links that we now enjoy, specifically:

- the annual meeting between the JARAC Chair and Deputy Chair, the Commissioner and the Chief Constable which provides an opportunity to review the focus of the JARAC and identify any areas where further assurance would be appreciated.
- the regular attendance by a senior police chief officer at JARAC meetings, supplemented by the attendance of the Commissioner and Chief Constable when they are able. Their presence and input has added to the effectiveness of the meetings.

Follow up

The Committee continued its focus on ensuring that recommendations from Internal Audit and other inspections were followed up and acted upon. In particular, this year our focus remained on ensuring that there are appropriate arrangements to internally monitor implementation.

Unlike other sectors the current contract with Internal Audit does not include the follow up of recommendations unless a limited assurance assessment is given. As a consequence there is no independent verification that actions have been implemented until that service is re-audited at some point in the future. It is therefore important that the internal mechanisms for monitoring the implementation of recommendations are effective.

This year has been the first year where responsibility for monitoring the implementation of recommendations lies with the Force rather than the OPCC with the Force Head of Corporate Services taking over responsibility for following up the implementation of Internal Audit recommendations from April 2025. This has had a positive impact on the both the timeliness of implementation and quality of responses received by the JARAC although there remains room for further improvement.

Risk management

We have maintained our focus on the Force's risk management arrangements. We had previously identified the need for the Force risk reports to the JARAC to be developed to give us the information we need to understand the risks and current mitigations to enable us to assess the level of assurance that we can take.

The quality of reporting has improved and this has facilitated more focused discussion about risk at the JARAC however we have struggled to reintroduce our previous annual attendance at the Force Risk Board which was useful in giving us assurance as to the Force's active risk management arrangements. Reintroducing this would enhance our ability to provide assurance to the Chief Constable around risk management arrangements.

External Audit

Previous annual reports have highlighted the impact of national issues affecting the delivery of external audit opinions on the Force and OPCC financial statements. Last year we noted the proactive approach of our new external auditors Grant Thornton, whilst recognising that issues regarding the 2022/23 unaudited figures will have an ongoing impact, including further disclaimer opinions on the 2023/24 and 2024/25 accounts being given in line with the backstop requirements in February 2025 and February 2026 respectively.

Despite the disclaimer opinion we recognise that the new auditors are building confidence around the figures in the accounts from the testing completed as part of the 2023/24 and 2024/25 audits. They plan to build on this during the 2025/26 audit and are working on moving away from a disclaimer opinion, probably via a qualified except for opinion on these accounts towards an unqualified opinion for the 2026/27 accounts. This will involve extra work during the audit from both the auditors and finance staff to enable the auditors to gain assurance as to the material accuracy of figures affected by previously unaudited brought forward balances.

We have been pleased to see the commitment from both the finance teams and auditors to address this additional work as part of the 2025/26 audit. This would put the Force and OPCC in a good position to return to a clean, unqualified opinion in 2026/27.

Internal Audit

The Internal audit plan set out to deliver 11 reviews (including 1 advisory review) plus 2 collaboration reviews. As at July 2026 Internal Audit had delivered 10 reviews with 1 at draft report stage (IT legacy systems – proposed limited) of which 2 received significant assurance, 6 moderate assurance and 1 limited assurance (skills audit) plus 1 advisory review. Both collaboration reviews were delivered with 1 substantial and 1 moderate assurance rating.

The JARAC were disappointed that the delivery of reports continues to be back ended with only 4 out of the planned 11 audits for 2025/26 delivered within year as reported to the April 26 JARAC. Going forward it would be useful to explore with Internal Audit how the timeliness of delivery can be improved. To help with this the JARAC has introduced (from July 2026) pre-meets with Internal Audit to explore the issues in more depth and determine what changes are needed to facilitate more timely delivery.

The Head of Internal Audit opinion which was presented to the JARAC in July 2026; concluded that the level of overall adequacy and effectiveness was assessed as providing **moderate** assurance which is the same as for the previous year. The JARAC would like to explore with the Force, OPCC and Internal Audit whether there is an aspiration to improve this level of assurance going forward.

Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS)

We have continued to receive updates regarding the action being taken by the Force to address issues raised by previous inspections including the most recent PEEL Police Effectiveness assessment inspection. From the updates provided we have been assured that appropriate action has being taken to address the findings, many of which the Force had already recognised as requiring action. We recognise that some of these will take some time to embed and will continue to monitor progress against this agenda.

Anti fraud and corruption

The JARAC normally receives presentations addressing different aspects of the Force's anti fraud and corruption arrangements on a cyclical basis. Each of the reports have provided assurance to members that appropriate arrangements are in place. This year the JARAC has not received any specific report but did review the Professional Standards Reporting policy in April 2026 and it was suggested that an IA review next year would be timely. It is important that the JARAC continues to receive cyclical reports in this area to enable it to provide assurance to the Chief Constable and Commissioner on the effectiveness of arrangements.

Financial monitoring

Through the financial monitoring reports that we have considered we have received assurance as well as providing useful challenge around the annual budget planning arrangements and the developing medium term financial plans. As the financial environment continues to tighten the Force will need to ensure that early action is taken to develop and implement robust savings plans to remain within the resources available.

Other governance areas

As part of our routine monitoring the JARAC oversight of other areas of governance including:

- policy management
- areas of exception in relation to standing orders and financial instruction (including waivers, losses and special payments, write offs and extraordinary staff payments)

This oversight provides assurance to the Commissioner and Chief Constable that their financial controls are working appropriately in these areas.

This year we have given particular attention to encouraging completion of the documentation of the assurance framework within which the governance of the OPCC and Force operates. JARAC members have provided useful feedback on draft proposals and the final framework was presented to JARAC in October 2025.

The JARAC have also reviewed the revised financial handbook that provides all staff with comprehensive guidance and so contributes to effective financial control.

Committee effectiveness

The effectiveness of the JARAC is reliant on the commitment and experience of its members and I would like to thank each of the members for their valuable contributions over the last 12 months.

This will be my final annual report as I hand over responsibility for chairing the JARAC to Barry Mellor from 1 February 2027. It has been a pleasure to work on the JARAC alongside such a strong and skilled set of independent members who are passionate about making the JARAC's contribution to good governance within the Force and OPCC of value.

An important contributor to the effectiveness of the Committee is the extent to which members are kept briefed and up to date on key developments, such as the impending cessation of Police and Crime Commissioners (May 2028) and the shift to Mayoral oversight which will have a significant impact on the OPCC but also on the role of the JARAC.

We have benefited during the year from a number of briefings provided in the closed session but as the pace of change increases and transition arrangements become clearer it will be important that the JARAC is kept informed to enable it to continue to operate effectively.

Looking forward

In 2026/27 the JARAC will:

- Make better use of pre-meets with Internal Audit to explore ways of improving the timeliness of delivery of audit reports and aspirations around the assurance provided by the Head of Internal Audit opinion.
- Continue to support the move to a clean, unqualified external audit opinion
- Recommence attendance to at least one risk management group meeting
- Ensure that it receives cyclical reports on areas of anti-fraud and corruption activity
- Monitor the impact on governance arrangements from emerging guidance and transition arrangements around the move away from Police and Crime Commissioners to Mayoral oversight.

In addition, as the JARAC has responsibility for oversight of the process for contracting for the Internal Audit Service, the JARAC will expect to be fully involved in each stage of this process for the new contract due to start 1 April 2027. This will enable the JARAC to provide assurance to the Commissioner and Chief Constable as to the quality and capability of the Internal Audit provider.

Recommendations to the Commissioner and Chief Constable

The JARAC would make the following recommendations to the Commissioner and Chief Constable:

- That consideration is given as to the Commissioner and Chief Constable's aspirations regarding the assurance level provided by the Head of Internal Audit opinion.
- That the finance teams continue to work with the External Auditors to move to a clean, unqualified opinion on the financial statements.

Sue Sunderland
Chair JARAC
October 2026