

**Warwickshire and West Mercia Police and Crime Commissioners
Warwickshire and West Mercia Chief Constables**

**Joint Audit Committee
12 December 2016**

Progress against 2016/17 Internal Audit Plan

Report by the Head of Internal Audit

Summary

This report summarises progress against the agreed Internal Audit plan.

Recommendation

The Committee is requested to note the report and endorse the proposed changes to the 2016/17 Internal Audit plan.

1. This report summarises in Appendix A the audit work undertaken since 1 April compared to the 2016/17 Internal Audit plan agreed by the Committee at its meeting on 20 June 2016.
2. The Internal Audit plan that is presented to the Committee at the start of the year is only an indicative one as it has to be responsive to changes in risks and hence the actual days required on individual jobs may vary from the original plan and new jobs may need to be added or jobs deleted or amended.
3. Following discussions with the Director of Finance and the Treasurer the following amendments have been made to the plan:
 - The planned days for the Risk Management audit have been increased from 10 days to 15 and the Capital Programme management audit has been reduced from 20 days to 15.
 - The Vetting audit was completed in 15 days, a reduction of 5 days to the planned days.
 - An additional 7 days has been required to complete the work carried over from 2015/16, a reduction in the advice time of 2 days is proposed.
 - One day of advice time been utilised to assist with the obtaining and uploading of NFI data for Warwickshire Police and West Mercia Police.
 - The net effect of these amendments is that no change is required to the overall plan days of 430.
4. The Committee will recall that the key outcome of each audit is an overall opinion on the level of assurance provided by the controls within the area audited. Audits will be given one of four levels depending on the strength of controls and the

operation of those controls. The four categories ranging from the lowest to highest are Limited, Moderate, Substantial and Full. The opinion reflects both the design of the control environment and the operation of controls. The 2015/16 Programme Management - STRaDA audit and Infrastructure Security review and the current year Vetting and Health and Wellbeing audits have now been issued as final reports. The opinions and a summary of the findings are provided at Appendix B.

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September 2016

Appendix A: Police Internal Audit Workplan 2016/2017 Progress report as at 30 September 2016

Topic		Priority	Original planned days	Actual days	Revised planned days	Latest Status
PCCs¹						
Youth Offending Scheme (West Mercia Only).		M	20	3	20	In progress
Chief Constables²						
Change Programme (STRADA inc OCC, Athena, new ways of working)		H	20	5	20	In progress
IT – Service delivery standards		H	10	0	10	
IT – Programme/projects benefits realisation		H	15	0	15	
Crime Property		H	25	21	25	In progress
Demand Management		H	25	0	25	
Capital Programme Management		H	20	11	15	In progress
Vetting		H	20	15	15	Final report issued
Health and Wellbeing		H	20	19	20	Final report issued
Bank Reconciliation		H	10	4	10	In progress
Partnerships (including Place Partnership, Warwickshire MASH and regional collaborations)		M	20	3	20	In progress
IT – Active Directory management		M	15	0	15	
Covert Funds		M	20	1	20	In progress

¹ These jobs will cover both PCCs and will result in two separate reports unless otherwise stated.

² Unless otherwise stated these jobs will cover both forces.

Topic		Priority	Original planned days	Actual days	Revised planned days	Latest Status
Risk Management (Forces only)		M	10	14	15	Draft report issued
Treasury Management		M	15	0	15	
Cashiers/Collection of Income		M	15	13	15	Draft report issued
Creditors including Purchase Cards		M	25	10	25	In progress
Contract Management		M	15	7	15	In progress
Firearms Licensing		L	10	1	10	In progress
Payroll		L	20	0	20	
Sub – total			350	127	345	
Completion of 2015/2016 audits						
Pensions Data Migration			3	7	7	Final report issued
Completion of 2015/2016 audits included in 2015/16 Annual Audit report						
IT			0	0	0	Final report issued
Programme Management - STRADA			5	9	9	Final report issued
Crime Property /Cash Handling			10	10	10	Final reports issued

Topic		Priority	Original planned days	Actual days	Revised planned days	Latest Status
Cost Centre Management			1	1	1	Final report issued.
Procurement			1	1	1	Final report issued
Firearms Licensing			1	1	1	Final report issued
Vehicle Recovery			1	1	1	Final report issued.
Pensions Advice			3	2	2	Advice provided
Sub - total			25	32	32	
Advice (including corporate governance, IT, learning and development, HR)	Advice		15		10	
	Actual advice provided to date:			2	2	Two returns completed
	• CIPFA Fraud Survey			1	1	
	• NFI					
Sub - total			15	3	13	
	Management		40	20	40	On-going
	Total		430	182	430	

Appendix B: Summary of audits completed since the previous update.

Audit	Key findings	Opinion on level of assurance provided by controls	Number of recommendations		
			Funda-mental	Significant	Merits Attention
Programme Management - STRaDA	<p>The objective of this audit was to provide an opinion on the arrangements within the Alliance for the operation and management of the STRaDA Programme.</p> <p>Issues identified are:</p> <ul style="list-style-type: none"> Aspects of the programme and project management framework are in the processes of refinement; and All aspects of the programme and project management framework are not fully complied with. 	Moderate	0	1	2
Vetting	<p>The objective of the audit was to provide an opinion on the overall arrangements in place with regard to vetting.</p> <p>Key concerns identified were:</p> <ul style="list-style-type: none"> The identity authentication process was not consistently documented on all vetting forms and consequently on occasions there is a lack of assurance to caseworkers that appropriate authentication checks have been conducted prior to vetting checks taking place. In the case of NPPV checks, upon clearance, nothing is sent to individuals explaining their 	Moderate	0	4	4

	<p>responsibilities as well as the requirement to notify any changes to circumstances.</p> <ul style="list-style-type: none"> • Within the sample of recruitment vetting, an instance was noted where it would have been appropriate to have telephoned the applicant to discuss elements of their vetting form before clearance was awarded. • There is no process in place to sample check vetting processes to ensure consistency and quality assurance. • A reminder was issued to all Police staff and Police officers in March 2016 to remind individuals of their responsibilities to notify the Vetting Unit of any changes in circumstances. However, it is understood that this is the first such communication since the formation of the Alliance. • Under current arrangements, the vetting of Force Vetting Unit staff is undertaken in house. The ACPO National Vetting Policy suggests that these vetting checks should be undertaken independently of the Force. 				
Health & Wellbeing	<p>The scope of the audit covered reviewing the risk management arrangements surrounding Health and Wellbeing, verification of the progress made to reduce the risk likelihood, review of management information and supporting data and national returns and the arrangements to record and manage Rest Days In Lieu (RDIL).</p> <p>Key concerns identified are:</p> <ul style="list-style-type: none"> • Health and wellbeing remains one of the highest risks 	Substantial	0	0	2

	<p>within the Alliance and evidence that there is an improvement in absence performance through targets and benchmarking is needed to further mitigate risks. No targets have been identified at the date of this review;</p> <ul style="list-style-type: none"> The sickness data reported within the Alliance uses rostered hours, however the data used for the returns is calculated using hours on the basis of working 5 days with 2 rest days a week. This results in discrepancies when national figures are reviewed against internal sickness reports. Discussions with the Senior HR Manager during the review indicated that Alliance may consider applying a consistent approach to ensure there are no discrepancies between national data and in house reports. 				
Infrastructure Security Review	<p>An Infrastructure Security Review has been undertaken within Warwickshire Police and West Mercia Police Forces. The review was requested in order to provide assurance that the ICT infrastructure security controls were in line with current best practice, and that there are adequate processes and controls in place to manage the associated security technologies.</p> <p>The findings from this review are sensitive, details and further data can be provided if required.</p>	Moderate	0	4	0

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September 2016