

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

**Joint Audit Committee
19 September 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 brief 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 last 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 Strada audit will be replaced by advisory work on the change programme during 2017, to include attendance at relevant Board meetings, review of key documentation and processes. It may also be necessary to utilise some of the planned advisory time in view of the size and importance of the change programme.
 - The Crime Property audit will be a continuation of the 2015/16 visits and will include a review of cash handling procedures.
 - Two days advice time has been utilised to complete the CIPFA Fraud surveys on behalf of the Warwickshire and West Mercia Police and Crime Commissioners.
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 Committee will note that more time than anticipated has been spent on completing the Data Migration audit which has now been issued as a final report with a substantial opinion and a summary of the findings is provided at Appendix B.

GARRY ROLLASON
Head of Internal Audit

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August 2016

Appendix A: Police Internal Audit Workplan 2015/2016 Progress report as at 31 July 2016

Topic		Priority	Original planned days	Actual days	Latest Status
PCCs¹					
Youth Offending Scheme (West Mercia Only).		M	20	1	In progress
Chief Constables²					
Change Programme (STRADA inc OCC, Athena, new ways of working)		H	20		Initial meetings held
IT – Service delivery standards		H	10		
IT – Programme/projects benefits realisation		H	15		
Crime Property		H	25	15	In progress
Demand Management		H	25		
Capital Programme Management		H	20		
Vetting		H	20	14	In progress
Health and Wellbeing		H	20	15	In progress
Bank Reconciliation		H	10		
Partnerships (including Place Partnership, Warwickshire MASH and regional collaborations)		M	20		
IT – Active Directory management		M	15		
Covert Funds		M	20		
Risk Management (Forces only)		M	10	1	Initial meetings held

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	Latest Status
Treasury Management		M	15		
Cashiers/Collection of Income		M	15	13	In progress
Creditors including Purchase Cards		M	25	2	In progress
Contract Management		M	15		
Firearms Licensing		L	10		
Payroll		L	20		
Sub – total			350	61	
Completion of 2015/2016 audits					
Pensions Data Migration			3	6	Final report issued
Completion of 2015/2016 audits included in 2015/16 Annual Audit report					
IT			0	0	Draft report issued
Programme Management - STRADA			5	5	Draft report issued
Crime Property /Cash Handling			10	10	Final reports issued
Cost Centre Management			1	1	Final report issued.

Topic		Priority	Original planned days	Actual days	Latest Status
Procurement			1	1	Final report issued
Firearms Licensing			1	1	Final report issued
Vehicle Recovery			1	1	Final report issued.
Pensions Advice			3	2	Advice provided
Sub - total			25	27	
Advice (including corporate governance, IT, learning and development, HR)	Advice		15	2	Two returns completed
Sub - total	Actual advice provided to date: • CIPFA Fraud Survey		15	2	
	Management		40	10	On-going
	Total		430	100	

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
Pensions Data Migration	<p>The review sought to provide assurance on the migration of the information to the new pension provider.</p> <p>Issues identified were:</p> <ul style="list-style-type: none"> • Although a project board was set up to monitor and control the progress of the project, minutes were not taken to evidence what was discussed during the meetings. • There was no formal sign off of either the individual milestones or the completed project. • Prior to going live two parallel payroll runs were completed. The issues identified were resolved before the decision was taken to sign off on the transfer. Confirmation that the issues had been resolved was received during one of the regular conference calls with the provider and as such no written sign off was obtained. 	Substantial	0	1	2

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Head of Audit

Jackie Sparkes
Engagement Manager

August 2016