

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

**Joint Audit Committee
18 March 2019**

Progress against 2018/19 Internal Audit Plan

Report by the Head of Internal Audit

Summary

This report summarises progress against the agreed Internal Audit plan and proposes changes to the plan as a result of unplanned work, and other issues, arising during the year.

Recommendation

The Committee is requested to note the report.

1. This brief report summarises the audit work undertaken since the last meeting of the Committee on 21 January 2019 compared to the plans agreed by the Committee, reflecting the changes agreed as a result of the unplanned work on Telematics.
2. It should be noted that 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 individual jobs may vary from the original plan and new jobs may need to be added or jobs deleted or amended.
3. Since the last meeting priority has been given to delivering the outstanding work to complete the revised 2018/19 plan, whilst we have continued to chase responses to finalise older work.
 - Responses have been received for further three draft reports and as a result the following audits have now been finalised:
 - a) Partnerships
 - b) Victim Support
 - c) Crime Data Integrity

Partnerships was reported at draft stage in the 2017/18 Annual Report. The two audits not previously reported in detail are outlined in Appendix A.

- Audit assurance on the Regional Organised Crime Unit is obtained from the host internal audit team at West Midlands Police. An assurance statement

has been provided, giving an overall opinion of “Reasonable assurance”. This would be within our Substantial assurance category.

- We are awaiting responses to the draft reports for the following audits:
 - a) IT Active Directory
 - b) IT Database Administration

We are liaising with DCC Moore to conclude these.

2018/19 Audits

- The unplanned work on the Telematics project is now largely completed. This audit has raised significant issues around projects and contract management. The findings have been agreed but further discussions are needed on the action plan before the report can be finalised. The Treasurer is progressing this and an update will be provided at the meeting.
 - The audit team has made progress against the 2018/19 plan; A draft report on business continuity has been issued and at the time of writing a draft report on KCOM is being prepared and will be issued before the Committee meeting.
 - An audit was commenced on the Medium Term Financial Plan, but the announcement of the ending of the Alliance agreement meant that the audit planned was no longer appropriate. Nevertheless, a briefing note has been issued on the issues arising from the work which was undertaken which provides advice on the management of risks relating to financial planning during a period of uncertainty.
4. An analysis of the time spent during 2018/19 to date is shown at Appendix B. After 10 months, some 300 audit days have been delivered, compared with the annual budget of 365 days, and we are on track to deliver the budgeted days by the end of the financial year. This is of course subject to cooperation of managers.
5. Responsibility for implementing agreed recommendations rests with the chief executives and chief constables who have implemented monitoring arrangements to establish progress on implementing audit recommendations. ASI regularly ask managers for a status update and provide information for inclusion in this report. Appendix C summarises the results of the latest monitoring exercise. The table shows all those audits which have recommendations which have still to be implemented. Based upon the original target date agreed with management there are 16 recommendations overdue none of which are classed as fundamental. Overall the picture on implementing recommendations remains positive.

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February 2019

Appendix A: Summary of audits completed since previous report.

Audit	Key findings	Opinion on level of assurance provided by controls	Number of recommendations		
			Fundamental	Significant	Merits Attention
Crime Data Integrity	<ul style="list-style-type: none"> The Audit & Assurance Schedule is not subject to challenge or approval by senior Officers. The results of reviews carried out by the Force Crime Registrar's team and subsequent recommendations are not formally discussed or followed up by the governing group. The action plan to address findings from the 2014 HMIC inspection was signed off as complete in 2016; some of the actions have not been sustained. Training needs are not linked to areas where data quality weaknesses are identified. The ongoing issues with the implementation of Athena continue to impact upon the data integrity of incident reporting. 	Moderate	0	4	6
Victim Support	<ul style="list-style-type: none"> Although the returns requested by the Ministry of Justice (MoJ) contain a request for information against a number of output and demographic indicators no data has been provided by either Warwickshire or West Mercia. While it is noted that the MoJ did not require the information to be completed for the last grant return it may become a condition of the grant moving forward. Performance indicators were not agreed prior to the commencement of the call off contracts. Although performance reports contain a "distance travelled" outcome measure and satisfaction survey results they do not specify the numbers that the outcomes are based on. There are a significant number of referrals made to Victim Support that do not get converted into cases or where no contact is made. The lack of detailed information around the number of cases worked with and the length of any intervention means it is difficult to carry out any cost analysis to establish whether the contract is providing value for money. 	Moderate	0	3	2

Appendix B: Status of Internal Audit Workplan 2018/2019 as at 1/2/2019

Assignment	Original Proposal to AGG / JAC	Original risk rating	Plan agreed by JAC July 2018	Revised plan – Agreed Jan 2019	Actual days to 15-2-19	Current status	Opinion
Transformation Programme including e.g. SAAB, in car media.	25	H					
Transformation Programme advice	20	H	25	6.5	6.5	No further work anticipated as covered by Telematics and project work.	n/a
Athena post implementation review	20	H					
Corporate governance / decision making including ethics	20	H	20				
Budget Monitoring/ Management	20	H	20	20	5	In progress	
Contract Management	20	H	20	20	8.5	In progress	
Absence Management	20	H	20				
Crime Property	10	H	15	15	14	In progress	
IT - Cyber security review	10	H					
Project health checks			20	30	8	In progress	
IT - Mobile device data security review	10	H					
Cloud technology	10	H					
Medium Term Financial Plan	25	H	25	8	8	Completed	n/a
Business Continuity	20	H	20	28	24	Fieldwork completed	
Vetting	20	H					
GDPR	15	H	15	15	11	In progress	
Regional organised crime unit	2	H	3	2	1	Completed	Substantial
HR	25	H	25				
Grants –advice	2	H					
Advice – disclosure	2	H					

Assignment	Original Proposal to AGG / JAC	Original risk rating	Plan agreed by JAC July 2018	Revised plan – Agreed Jan 2019	Actual days to 15-2-19	Current status	Opinion
Advice - Force Management Statement	2	H					
Accounts Payable	20	H	20				
Payroll	20	H	20				
Advice - Services to policing/ Alliance funding arrangements/ Fire collaboration	20	H					
Warwickshire - PCC admin process efficiency review	10	H					
Accounts Receivable	15	H	15				
Crime data integrity		L	15	16	17	Completed	Moderate
Sub-total	383		298	160.5	103		
Unplanned Audits							
General contingency			20				
Police community fund				7.5	7	Completed	n/a - certification
Telematics				54.5	50	Draft report issued	n/a - investigation
KCOM				20	19	Field work completed	
Sub-total	0		20	82	76		
Brought forward audits							
Victim Support					17	Final report issued	Moderate
Crime Property					1	Final report issued	Substantial
Financial Systems – Payroll					2	Final report issued	Limited
Bank Reconciliation					5.5	Final report issued	Substantial
Financial Systems - Self Service					0.5	Final report issued	Limited
Fleet Management					20	Final report issued	Limited
Forecasting					14	Final report issued	n/a - advice
Firearms				75	0.5	Final report issued	Moderate
IT Audit: Asset Management and Configuration					0	Defer	

Assignment	Original Proposal to AGG / JAC	Original risk rating	Plan agreed by JAC July 2018	Revised plan – Agreed Jan 2019	Actual days to 15-2-19	Current status	Opinion
IT Audit: Active Directory					3	Draft report issued	Moderate
IT Audit: Database management					9	Draft report issued	Moderate
Information Management					3	Final report issued	Moderate
Firearms Licensing					0.5	Final report issued	Substantial
Procurement					1	Final report issued	Moderate
Partnerships (2016/17)					0	Final report issued	Limited
Provision to finalise all outstanding b/f jobs				3			
Sub-total	0		0	78	77		
Management	47		47	47	44		
	430		365	367.5	300		

Appendix C: Audits with recommendations outstanding

	Number of Recommendations								
Audit	Made	Risk Accepted	Redundant	Implemented	Not yet due to be implemented	Overdue (Months)			Response Rec'd Y/N
						0 to 3	3 to 6	Over 6	
Chief Constables									
Police MASH	10	0	0	0	0	7	2	1	N
Information Management	3	0	0	2	0	0	1 (partly imp)	0	Y
Firearms	11	0	0	2	7 (1 Fundamental)	1	1	0	N
Procurement	7	0	0	6	0	0	0	1	Y
Police Financial Systems - Payroll	9	0	0	8	1	0	0	0	Y
Police Fleet	9	0	0	6	3	0	0	0	Y
Crime Data Integrity	8	0	0	0	8	0	0	0	Y
Crime Property	1	0	0	0	1	0	0	0	Y
Partnerships	7	0	0	0	5	2	0	0	Y
PCC Victim Support	4	0	0	0	4	0	0	0	Y
	69	0	0	24	29	10	4	2	