

Agenda item:

West Mercia Joint Audit and Standards Committee Report Summary

Meeting Date: 21 March 2023

Subject: Internal Audit Progress Report

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Purpose of the Report:

This report summarises progress against the agreed Internal Audit plan to the end of February 2023.

Recommendation:

The Committee is requested to

- a. note the report.**

Internal Audit Progress Report

Report by the Head of Internal Audit

Introduction

1. This report summarises the audit work against the 2022-23 Audit Plan, agreed by the Joint Audit and Standards Committee on 28 March 2022.
2. 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.

Audit Plan Review and Amendment

3. It should be noted that the Internal Audit plan agreed at the start of the year is only an indicative one as it has to be responsive to changes in risk and hence the individual jobs may vary from the original plan and new jobs may be added or jobs deleted or amended.
4. The Audit Plan is intended to deliver a programme of assurance audits which will enable end of year Head of Audit opinions to be delivered for West Mercia OPCC and West Mercia Police. Appendix A provides information on each audit completed since the previous update report. Appendix B shows the progress as at the end of February 2023, against the plan agreed by the Committee on 28 March 2022 and shows all coverage including both the Force and OPCC.

Work Progress

5. Good progress is being made against the plan with eight audits complete and another four at draft, planning or fieldwork stages. An analysis of the time spent during 2022/23 to date is shown in Appendix B. To the end of February a total of 219.3 audit days have been delivered, compared with the annual plan of 232 days and we are on track to deliver the budgeted days by the end of the financial year.
6. The following final reports have been issued since the last Committee meeting:

- Custody
- Firearms Licensing

Progress with Agreed Actions

7. Responsibility for implementing agreed recommendations rests with the Chief Executive and Chief Constable who have implemented monitoring arrangements to establish progress on implementing audit recommendations. Audit, Risk and Compliance 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 at the end of February. The table shows all those audits, which have

recommendations still to be implemented. Based upon the target date agreed with management there are 22 recommendations overdue. None of these are classed as “Fundamental” High (H), however there are 6 “Significant” Medium (M) priority recommendations, which are more than six months overdue.

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
2022/23					
Custody	<p>The scope of this audit included:</p> <ul style="list-style-type: none">Lessons learnt from the HMIC report and the implementation of recommendations made.Arrangements for detaining children and young people.Purchasing and contract arrangements <p>The audit found:</p> <ul style="list-style-type: none">Following a review of the action plan a number of the target dates were extended from September 2022 to December 2022. However the rationale for the extension was not clearly documented.One of the issues identified by HMICFRS was that handovers between shifts were not attended by all custody staff. One of the actions identified related to the implementation of a consistent handover document for use by all Sergeants. It is planned that this would also provide a way to evidence whether appropriate triage took place and that all relevant information relating to the transfer of a detainee has taken place. The handover document has yet to be agreed and implemented.	Substantial	0	2	2

Audit	Key findings	Opinion on level of assurance provided by controls	Number of recommendations		
			Fundamental	Significant	Merits Attention
Firearms Licensing	<p>The scope of this audit included:</p> <ul style="list-style-type: none"> • Governance Arrangements, Policies, Procedures and Guidance • Database Management, including linkage to PNC & National Firearms Systems • Receipt and processing of Applications • Renewal and removal of expired or temporary permits • Changes, or removal of Certificates / Firearms • Income Collection • Performance Monitoring and Reporting <p>The audit found:</p> <ul style="list-style-type: none"> • The Operations Department should ensure that the implications and recommendations contained within the Priority Based Policing Review report on the Firearms Licensing Unit (FLU) are considered and where appropriate, implemented in order to address the increasing number of outstanding cases and suitably manage the FLU application caseload. 	Substantial	0	1	2

Appendix B: Status of Internal Audit Workplan 2022/2023 as at 24/02/2023

Original Plan Topic	Plan agreed at JASC on 28.03.2022	Actual Days to 24.02.23	Revised Indicative days full year	Current Status	Assurance level	Notes
Cashiers/Cash Handling	10	12.8	12.8	Complete	Substantial	
Consultants (Force)	15	9.0	15	In Progress		Limited Opinion in 2021/22
Corporate Governance - Trust and Confidence	20	20.1	20.1	Complete	Substantial	
Covert Funds	10	10.4	10.4	Draft	Substantial	
Custody	20	22.5	22.5	Complete	Substantial	
Estates	25	22.1	22.1	Complete	Substantial	
Firearms Licensing	15	16.8	16.8	Complete	Substantial	
Firearms and Tasers	15	19.8	19.8	Complete	Substantial	
Gifts and Hospitality	10	10.3	10.3	Complete	Substantial	
HR Management	15	6.0	15	In Progress		
ICT - Service desk operation	15	0	15			

Original Plan Topic	Plan agreed at JASC on 28.03.2022	Actual Days to 24.02.23	Revised Indicative days full year	Current Status	Assurance level	Notes
Information governance	12	8.0	12	In Progress		
Major Projects - Business Operations	20	19.9	19.9	Complete	Moderate	
Management and planning	30	29.3	30			
Previous years:						
Bank reconciliation		0.5	0.5	Complete		
Contract Management		5.2	5.2	Complete		
Debtors		3.2	3.2	Complete		
Establishment Control		1.9	1.9	Complete		
Information Management - Data Protection Compliance		0.8	0.8	Complete		
Treasury Management		0.7	0.7	Complete		
TOTAL	232	219.3	254			

Appendix C: Audits with recommendations outstanding

	Number of Recommendations								
Audit	Made	Risk Accepted	Redundant	Implemented	Not yet due to be implemented	Overdue			Response Rec'd Y/N
						0 to 3 Months	3 to 6 Months	Over 6 Months	
Audits completed during 2022/2023									
Bank Reconciliation (2021/22)	3	0	0	2	0	0	0	1 (1L)	Y
Contract Management (2021/22)	6	0	0	2	0	1 (1L)	3 (3M)	0	Y
Treasury Management (2021/22)	6	0	0	4	0	0	0	2 (2L)	Y
Debtors (2021/22)	6	0	0	4	0	0	0	2 (2M)	Y
Cashiers	5	0	0	1	0	4 (1M 3L)	0	0	Y
Gifts and Hospitality	3	0	0	0	0	0	0	3 (2M 1L)	Y
Audits completed Prior to 2022/2023									
Seized Property	1	0	0	0	0	0	0	1 (1M)	Y
Fleet	2	0	0	1	0	1 (M)	0	0	Y
Establishment Control	4	0	0	1	0	3 (1M 2L)	0	0	Y
ICT – Active Directory	7	0	0	6	0	0	0	1 (1M)	Y
Total	43	0	0	21	0	9	3	10	

Key: Priority of recommendations, H=High, M=Medium, L=Low