



Devon & Cornwall Police and The Office of the Police & Crime Commissioner (OPCC)

Dorset Police and The Office of the Police & Crime Commissioner (OPCC)

Report of Internal Audit Activity- November 2019

Internal Audit ■ Risk ■ Special Investigations ■ Consultancy

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Executive Summary

The Assistant Director is required to provide an annual opinion to support the Annual Governance Statement.

As part of our plan progress reports, we will provide an ongoing opinion to support the end of year annual opinion.

We will also provide details of any significant risks that we have identified in our work, along with a progress update in relation to outstanding Priority 1 & 2 recommendations.

We have sought to make our Committee Papers more concise and as such, we will formally report on our performance once a year.

The Chief Executive Officer for SWAP reports company performance on a regular basis to the SWAP Directors and Owners Boards.

Audit Opinion and Summary of Significant Risks

Audit Opinion:

The work completed to date, including those reports still at Draft report stage, presents a mixed picture in terms of assurance levels. The majority of finalised reports have offered a Partial opinion, suggesting that some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives. Current audit work is suggesting to us however that more reasonable assurance opinions will be given in the coming quarter, in addition to a Substantial opinion awarded for the Pensions Key Control work. This, together with the improvement of the recommendation completion, would lead us to believe a more positive assurance opinion is likely within this financial year.

Progress of 2019/20 Internal Audit Plan

At the time of reporting, good progress was being made with the 2019/20 audit plan as outlined in Appendix A and in the table below:

Performance Measure	Performance
<u>Delivery of Annual Audit Plan</u>	
Completed	30%
Work at Report Stage	21%
Fieldwork	6%
Scoping	8%
Not Yet Started	35%

These figures reflect the amendments to scheduling as outlined later within this report.

Significant Risks:

Since our last report to the Committee, we have not assessed any audit risks as 'High' in our reports.

Where audit reviews have resulted in a 'Partial' assurance rating, a summary of the key findings from these reviews have been summarised at **Appendix B**. This includes key issues identified within the following reviews:

- Benefits Realisation (from 2018/19); and
- Market Supplements (Dorset Police only).

Outstanding Recommendations:

Appendix C details all of the Priority 1 and 2 recommendations that remain at agreed and outstanding status following quarterly follow up. This includes the most recent update from the Responsible Officer(s). Many of these updates indicate an ongoing status towards implementation and where the original target date for implementation has been exceeded; a revised target date has been inserted. It is pleasing to note that the number of recommendations outstanding has more than halved since the last Committee Papers.

In the vast majority of instances, satisfactory updates were provided. The recommendations under the Business Continuity audit have not progressed as much as we would have anticipated, though we acknowledge one recommendation is not due for implementation until January 2020. Work is also continuing to implement the recommendations raised in the Disaster Recovery audit as per the Appendix. The performance against the agreed measure is outlined below.

Performance Measure	Performance
<p style="text-align: center;"><u>Outcomes from Audit Work</u></p> <p style="text-align: center;">Percentage of Priority 1 & 2 recommendations identified by SWAP, that remain outstanding past their original implementation date</p>	<p style="text-align: center;">42%</p> <p style="text-align: center;">(8 out of 19) – see commentary above and Appendix C</p>

Internal Audit Plan Progress 2019/20

We keep our audit plans under regular review to ensure that we are auditing the right things at the right time.

Approved Changes to the Audit Plan

The Strategic Alliance Audit Plan for 2019/20 is reported under **Appendix A** and is subject to change to meet the requirements and emerging risks of the Strategic Alliance.

Since our last update to the Committee, the following changes have been made to the 2019/20 Audit Plan as follows:

Audits deferred from originally scheduled Quarter in 2019/20:

- DP&DCP: Data Protection – Discs – Q2 to Q4;
- DP&DCP Management of Policies – Q3 to Q4; and
- DP&DCP Budgetary Control – Q3 to Q4.

A review of Processes for Managing Food for Detainees for Devon & Cornwall Police was also undertaken during Quarter 3 at the request of the Chief Finance Officer.

At the time of writing, we had informally deferred two audits pending appointment to the Chief Technology Officer post:

- Alliance ICT Convergence Strategy; and
- PRISM Demand Management.

We will liaise with the Senior Audit Manager regarding how best to take these forward in Quarter 4.

- Through liaison with relevant officers and a review of the statutory audit requirement of the MOJ Victim Services Grant, the audit for this year has been cancelled, and as it is required to be completed after year end, it will be included in next year's plan. The audit days were put towards the Managing Food for Detainees work referenced above.

The regional Police Audit work is progressing well and is detailed below:

- Forensics Performance and Tasking – this review has been scoped and initial documentation/information received to allow fieldwork to progress;
- Review and recommend a standard approach to obtaining assurance for the AGS – this is currently at Draft report stage; and
- Regional benchmarking on fleet as part of the Alliance and A&S fleet management reviews, which is scheduled for Q4.

Audit Type	Audit Area	Audit Partner	Period	Audit Days	Status	Opinion	No of Recs	1 =	↔	3 =
								Major		Minor
								Recommendation		
Reporting Stage										
Deferred from 2018/19	Police Officer Overtime	DP & DCP	Q1	20*	Final Report	Partial	7	1	5	1
Deferred from 2018/19	Strategic Alliance – Benefits Realisation	DP & DCP	Q2	20	Final Report	Partial	6	2	3	1
Audit Committee Request	Disaster Recovery Follow Up	DP & DCP	Q1	3	Final Report	Follow Up	N/A			
IT & Information Management	Data Protection – Incident Reporting	DP & DCP	Q1	10	Final Report	Partial	3	1	1	1
Force Functions	Business Continuity	DP & DCP	Q1	15	Final Report	Partial	8	4	4	-
Force Functions	Estates – Statutory Obligations Management	DP	Q1	17	Final Report	Partial	19	-	13	6
Governance, Fraud & Risk Management	Chief’s Charities Follow Up	DCP	Q2	5	Final Report	Reasonable	0	-	-	-
Force Functions	Managing Market Supplements for Salaries	DP & DCP	Q2	15	Final Report	DP – Partial DCP - Substantial	DP – 4 DCP – 0	-	4	-
Managing Offenders	Processes for Managing Food for Detainees	DCP	Q3	7	Final Report	Advisory	N/A	-	-	-
Force Wellbeing	Alliance Wellbeing	DP & DCP	Q2	15	Final Report	Reasonable	6	-	2	4
Finance	Pensions	DP & DCP	Q3	12	Final Report	Substantial	0	-	-	-
Finance	Recovery of Special Policing Services Costs	DP & DCP	Q2	15	Draft Report	TBC	-	-	-	-

Audit Type	Audit Area	Audit Partner	Period	Audit Days	Status	Opinion	No of Recs	1 = Major	↔	3 = Minor
								Recommendation		
								1	2	3
IT & Information Management	STORM – Lessons Learnt	DP	Q1	15	Draft Report	TBC	-	-	-	-
Protecting Vulnerable People	Equalities	DP & DCP	Q2	10	Draft Report	TBC	-	-	-	-
Finance	Key Controls – incorporating: Accounts Receivable, Accounts Payable, Main Accounting, Payroll & Treasury Management	DP & DCP	Q3	73	Draft Report	TBC^	-	-	-	-
In Progress										
Finance	Alliance Re-Charges	DP & DCP	Q3	13	Fieldwork					
Finance	Income Generation	DP & DCP	Q3	8	Fieldwork					
Force Functions	Contracting with Training Providers	DP & DCP	Q4	10	Scoping					
Finance	Budget Monitoring	DP & DCP	Q4	13	Scoping					
Force Functions	Estates / HR (H&S) - Fire Safety Management	DP & DCP	Q4	15	Scoping					
Yet to Commence										
IT & Information Management	Alliance ICT Convergence Strategy	DP & DCP	Q2	20	-					
IT & Information Management	PRISM Demand Management	DP & DCP	Q3	15	-					
IT & Information Management	Data Protection – Discs	DP & DCP	Q4	15	-					
Force Functions	Management of Policies	DP & DCP	Q4	13	-					

Audit Type	Audit Area	Audit Partner	Period	Audit Days	Status	Opinion	No of Recs	1 =	↔	3 =
								Major		Minor
								Recommendation		
Managing Serious & Organised Crime	Automatic Number Plate Recognition (ANPR)	DP & DCP	Q4	12	-					
Finance	Personal Issue Assets	DP & DCP	Q4	15	-					
Force Functions	Review of new Fleet System	DP & DCP	Q4	15	-					
Force Functions	Estates – Financial Management of Major Projects & Development	DP & DCP	Q4	10	-					
Force Functions	Estates – Leasehold Management	DP & DCP	Q4	20	-					
Force Functions	Estates – Cold-Weather Management	DP & DCP	Q4	15	-					
Finance	Overtime & Expenses of Special Constables/Volunteers	DP & DCP	Q4	15	-					
Governance, Fraud & Risk Management	Compliance with Specified Information Order	DP & DCP	Q4	10	-					
Force Functions	Estates – Statutory Obligations Management	DP	Q4	8	-					

* denotes revised audit day budget after underspend, which is to be utilised on regional audit work.

^ We are delivering these audits using an 'agile' methodology and thus we will provide one report with separate assurance opinions for each area. This will be split out once finalised to demonstrate the opinions for each area. The performance figures on Page 1 reflect these being separate audits.