



# Office of the Police & Crime Commissioner

**REQUEST FOR POLICE & CRIME COMMISSIONER DECISION - (N° 022 / 2016)**

**TITLE: Internal Audit Annual Report 2015-16**

**Executive Summary:** (Précis not more than 100 words)

This report provides a summary of the outcomes of the work of internal audit for 2015/16 and includes the Head of Internal Audit's opinion on the effectiveness of the Police and Crime Commissioner and Constabulary's arrangements for risk management, governance and internal control in accordance with the requirements of the Public Sector Internal Audit Standards.

Key points from internal audit's annual report are:

- The audit of the Safeguarding hub will be completed during 2016/17. This does not impact on their ability to provide an annual opinion.
- A total of 17 audit reviews have been finalised. This represents 94% of the planned audit work for the year.
- Of the 17 audits completed in the year, 15 contributed to the organisations' overall assurance. 14 of the 15 audits received reasonable or higher assurance. The auditors consider this to be a very positive outcome. For the one audit receiving less than reasonable assurance (Duty Management System) there has been regular reporting, to the Joint Audit and Standards Committee, on progress in implementing the recommendations. Time has been included in the 16/17 internal audit plan to follow up this audit.

Summaries of the outcomes of all completed audits during the year are included at Appendix 1. The Audit and Standards Committee (JASC) have received regular progress reports during the year.

**Recommendation:**

That the Commissioner and Chief Constable receives and notes the annual report from the Head of Internal Audit, as a contribution to the overall arrangements for governance. Specifically, that the Commissioner and Chief Constable note:

- The progress achieved in 2015/16 in delivering the audit plan.
- The Head of Internal Audit's opinion and assurance statement on the PCC and Constabulary's overall systems of governance, risk management and internal control for the year ended 31st March 2016.
- The Head of Internal Audit's declaration of conformance with the mandatory Public Sector Internal Audit Standards.
- The results of the Quality Assurance and Improvement programme
- The Head of Internal Audit's declaration of Internal Audit independence as required by the PSIAS.

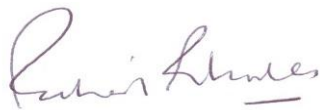
**Police & Crime Commissioner**

I confirm that I have considered whether or not I have any personal or prejudicial in this matter and take the proposed decision in compliance with the Code of Conduct for Cumbria Police & Crime Commissioner. Any such interests are recorded below.

I hereby approve/~~do not approve~~ the recommendation(s) above

**Police & Crime Commissioner / ~~Chief Executive~~ (delete as appropriate)**

**Signature:**



**Date: 03 May 2016**

## **PART 1 – NON CONFIDENTIAL FACTS AND ADVICE TO THE PCC/Chief Constable**

### **Internal Audit: annual report 2015/16**

#### **1.0 Executive Summary**

1.1 This report provides a summary of the outcomes of the work of internal audit for 2015/16 and includes the Head of Internal Audit's opinion on the effectiveness of the Police and Crime Commissioner and Chief Constable's arrangements for risk management, governance and internal control in accordance with the requirements of the Public Sector Internal Audit Standards.

1.2 Key points from internal audit's annual report are:

- The audit of the Safeguarding hub will be completed during 2016/17. This does not impact on our ability to provide an annual opinion.
- A total of 17 audit reviews have been finalised. This represents 94% of the planned audit work for the year.
- Of the 17 audits completed in the year, 15 contributed to the organisations' overall assurance. 14 of the 15 audits received reasonable or higher assurance. We consider this to be a very positive outcome. For the one audit receiving less than reasonable assurance (Duty Management System) there has been regular reporting, to the Joint Audit and Standards Committee, on progress in implementing the recommendations. Time has been included in the 16/17 internal audit plan to follow up this audit.

1.3 Summaries of the outcomes of all completed audits during the year are included at Appendix 1. The Audit and Standards Committee (JASC) have received regular progress reports during the year.

#### **2.0 Policy Position, Budgetary and Equality Implications**

2.1 Internal Audit's assessment of internal control forms part of the annual assessment of the system of governance, risk management and internal control, which is now a mandatory requirement.

2.2 The Audit Plan aims to match internal audit coverage with the PCC and Constabulary's corporate risk assessment.

2.3 Internal Audit must conform to the Public Sector Internal Audit Standards which require the preparation by the Head of Internal Audit of an annual opinion on the overall systems of

governance, risk management and control. Regular reporting to Joint Audit and Standards Committee enables emerging issues to be identified during the year.

### **3.0 Recommendation**

3.1 The Commissioner and Chief Constable are asked to note:

- The progress achieved in 2015/16 in delivering the audit plan.
- The Head of Internal Audit's opinion and assurance statement on the PCC and Constabulary's overall systems of governance, risk management and internal control for the year ended 31<sup>st</sup> March 2016.
- The Head of Internal Audit's declaration of conformance with the mandatory Public Sector Internal Audit Standards.
- The results of the Quality Assurance and Improvement programme
- The Head of Internal Audit's declaration of Internal Audit independence as required by the PSIAS.

### **4.0 Background**

4.1 The PCC and Chief Constable must make proper provision for internal audit in line with the 1972 Local Government Act. The Accounts and Audit Regulations 2015 require that the PCC and Chief Constable must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

4.2 Internal audit is responsible for providing independent assurance to the PCC and Constabulary's senior management and to the Joint Audit and Standards Committee on the systems of governance, risk management and internal control.

4.3 It is management's responsibility to establish and maintain internal control systems and to ensure that resources are properly applied, risks appropriately managed and that outcomes are achieved. Management is responsible for the system of internal control and should set in place policies and procedures to ensure that controls are operating effectively.

### **Internal Audit Opinion**

4.4 The purpose of this report is to give my opinion as the Head of Internal Audit for the PCC and Cumbria Constabulary on the adequacy and effectiveness of both organisations' systems of risk management, governance and internal control from the work undertaken by internal audit for the year ended 31<sup>st</sup> March 2016.

- 4.5 This report is a key contributor to the PCC and Constabulary's Annual Governance Statement.
- 4.6 In giving this opinion, it should be noted that assurance can never be absolute and it is not possible to give complete assurance that there are no major control weaknesses. My opinion is based on the work undertaken by internal audit during the year, including the outcomes of follow up work.
- 4.7 I am satisfied that sufficient internal audit work has been undertaken to allow me to give a conclusion on the adequacy and effectiveness of risk management, governance and internal control. I can also report that there has been no threat to the independence of internal audit that would impact on the provision of my annual opinion statement.
- 4.8 In my opinion, the PCC and Constabulary's frameworks of governance, risk and internal control is reasonable and audit testing has confirmed that controls are generally working effectively in practice.
- 4.9 One audit did not receive reasonable assurance; however, this does not affect my ability to give a conclusion of reasonable assurance over the organisations' overall arrangements for governance, risk management and internal control. The Constabulary have responded positively to the audit and this gives assurance that the issues raised have been taken seriously. Issues arising from the audit are summarised in Appendix 1. There is an action plan in place in respect of progress and the Constabulary has provided the Joint Audit and Standards Committee with progress updates at each meeting. Internal Audit has made provision to follow up this work in the 16/17 internal audit plan. The Constabulary has requested that the follow up be undertaken during the second quarter of 16/17.
- 4.10 Where internal audit work has identified scope for improvements, the management response has been appropriate and action plans agreed.
- 4.11 The Shared Service Group Audit Manager has undertaken review of all internal audit work contributing to the annual opinion statement and is able to confirm that all work has been undertaken in accordance with the Public Sector Internal Audit Standards and with the Quality Assurance and Improvement Programme. All audit work has been reviewed at key stages by the Audit Manager or nominated deputy and is supported by appropriate evidence.
- 4.12 The Group Audit Manager supports the assurance opinion provided in this report.

### **Internal audit performance**

- 4.13 A suite of performance measures were used to monitor Internal Audit's performance during 2015/16. The results are shown below.

Measure	Description	Benchmark	Actual
Completion of audit plan	% of audits completed to final report	95% (annual target)	94%*
	Number of planned days delivered	217	207
Audit scopes agreed	Scoping meeting to be held for every risk based audit and client notification issued prior to commencement of fieldwork.	100%	100%
Draft reports issued by agreed deadline	Draft reports to be issued in line with agreed deadline or formally approved revised deadline where issues arise during fieldwork.	70%	100%
Timeliness of final reports	% of final reports issued for corporate director comments within five working days of management response of closeout meeting.	90%	100%
Recommendations agreed	% of recommendations accepted by management	95%	100%
Assignment completion	% of individual reviews completed to required standard within target days or prior approval of extension by audit manager.	75%	100%
Quality assurance checks completed	% of QA checks completed	100%	100%
Customer Feedback	% of customer satisfaction survey scoring the service as good.	80%	90%
Chargeable time	% of available auditor time directly chargeable to audit jobs.	80%	78%

\* This represents a single audit as referred to at 1.2 of the executive summary.

### Internal audit coverage and outputs

4.14 15 reviews contributing to the assurance rating have been finalised with all, except DMS, receiving at least reasonable assurance levels.

4.15 The following table summarises the total number of audit evaluations made during 2015/16.

Assurance level	Constabulary		OPCC		Joint	
	Total	%	Total	%	Total	%
Substantial	4	36	2	100	0	-
Reasonable	6	55	0	-	2	100
Partial	1	9	0	-	0	-
No / limited	0	-	0	-	0	-
Total (with assurance)	11	100	2	100	2	100
N/A	1		1		0	
Grand total	12		3		2	

4.16 Appendix 1 provides the detail of audit work undertaken over the year to 31<sup>st</sup> March 2016.

### **Results of the Quality Assurance and Improvement Programme**

4.17 The QAIP was presented to the March 2016 JASC. We can confirm that the QAIP was followed in 2015/16.

### **Statement of Conformance with Public Sector Internal Audit Standards**

4.18 We have reviewed our conformance with the Public Sector Internal Audit Standards. The review took the format of a self-assessment against the checklist contained within the Local Government Application Note which accompanies the Public Sector Internal Audit Standards.

4.19 The outcomes of the review confirm that internal audit work has been undertaken in accordance with the Public Sector Internal Audit Standards.

Emma Toyne  
Audit Manager  
25th April 2016

### APPENDICES

*Appendix 1: Audits completed for the year ended 31<sup>st</sup> March 2016*

Contact: Emma Toyne, 01228 226261, [emma.toyne@cumbria.gov.uk](mailto:emma.toyne@cumbria.gov.uk)

### **5.0 Implications**

5.1 Financial: There are no direct financial implications arising from this report

5.2 Legal: n/a

5.3 Risk: The annual audit programme is a risk based plan designed to support effective governance and provide the basis of the Head of Internal Audit's opinion as set out within the report.

5.4 HR / Equality: n/a

5.5 I.T.: n/a

5.6 Procurement: n/a

5.7 Victims: n/a

6.0. Backgrounds / supporting papers  
N/A

**Public Access to Information**

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the PCC website within 3 working days of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would not compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? NO

If yes, for what reason:

Until what date (if known):

Is there a Part 2 form NO

(If Yes, please ensure Part 2 form is completed prior to submission)

**ORIGINATING OFFICER DECLARATION:**

I confirm that this report has been considered by the Chief Officer Group and that relevant financial, legal and equalities advice has been taken into account in the preparation of this report.

Signed: ..... Date: .....

**OFFICER APPROVAL**

Chief Executive / Deputy Chief Executive (delete as appropriate)

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner / Chief Executive (delete as appropriate).

Signature: R. Hunter

Date: 3rd May 2016

**Media Strategy**

The decision taken by the Police & Crime Commissioner may require a press announcement or media strategy.

Will a press release be required following the decision being considered? NO

If yes, has a media strategy been formulated? YES / NO

Is the media strategy attached? YES / NO

What is the proposed date of the press release:



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Assignments	Main Points	Assessment	Current Status
Annual report 14/15	Presented to Audit and Standards Committee 6 May 2015.	N/A	Complete
Annual Governance Statement 14/15 – PCC	Presented to Audit and Standards Committee 6 May 2015.	N/A	Complete
Annual Governance Statement 14/15 - Constabulary	Presented to Audit and Standards Committee 6 May 2015.	N/A	Complete
Duty Management System	<p>The purpose of the audit was to provide assurance over the use of the Duty Management System in relation to recording overtime and TOIL.</p> <p>Areas of good practice identified were:</p> <ul style="list-style-type: none"> <li>• involvement in the Origin user group at a national level;</li> <li>• high standards of integrity, conduct and ethical behaviour promoted within the organisation;</li> <li>• commitment to developing and improving the Strategic Resourcing Unit and addressing issues within the Duty Management System;</li> <li>• requirement for officers to confirm the accuracy and validity of data contained in iTrent overtime claim forms.</li> </ul> <p>Two high priority issues were identified relating to a need to define:</p> <ul style="list-style-type: none"> <li>• the objectives of the Duty Management System and links to relevant service plans or policing priorities;</li> <li>• governance arrangements for the Duty Management System with appropriate lines of communication.</li> </ul> <p>Nine medium priority issues were identified:</p> <ul style="list-style-type: none"> <li>• officers are not required to declare the validity and accuracy of overtime data</li> </ul>	Partial assurance	Report presented to Joint Audit & Standards Committee 03/09/15

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	<p>uploaded to the Duty Management System;</p> <ul style="list-style-type: none"> <li>• there are no formal procedures in place within the Strategic Resourcing Unit to guide staff involved in updating and maintaining data within the Duty Management System;</li> <li>• There has been no formal identification of the skill set requirement or preparation of a formal training plan to effectively deliver training to Resourcing Co-ordinators across the force.</li> <li>• Resourcing Co-ordinators are not subject to regular, structured supervision and feedback regarding their performance.</li> <li>• The Duty Management System does not make the selection of pay or time for each entry of overtime mandatory during the input stage.</li> <li>• The reporting function for DMS is under-utilised for data quality assurance activity.</li> <li>• Users with update access permissions can input overtime against their own records.</li> <li>• There is currently no mechanism in place to identify all overtime recorded in DMS and give assurance that it is either paid or rolled forward correctly as TOIL.</li> <li>• Arrangements to ensure DMS access permissions are adjusted / removed for staff who change jobs within the organisation are not currently in place.</li> </ul>		
<p>Performance monitoring</p>	<p>The purpose of the review was to provide assurance that the arrangements in place to improve data quality are robust.</p> <p>A number of strengths were identified</p> <ul style="list-style-type: none"> <li>• Policing priorities are cascaded down from the Policing Plan into other plans and strategies.</li> <li>• An approved, up to date Performance Management Framework is in place that clearly supports the delivery of strategic policing objectives, as set out in the Policing Plan.</li> <li>• There is a nominated Director who is accountable for performance management at a strategic level.</li> <li>• Bi-monthly reporting by the Constabulary to the OPCC Executive Board on the performance framework.</li> </ul>	<p>Substantial assurance</p>	<p>Report circulated to Joint Audit &amp; Standards Committee</p>

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	<ul style="list-style-type: none"> <li>• Effective challenge of progress in achieving priorities from the Police and Crime Commissioner and internally via Performance Development Conferences.</li> <li>• Actions to address performance issues are documented and tracked with clear ownership.</li> <li>• Clear definitions of performance measurement, performance monitoring and a performance management framework within performance documentation.</li> <li>• Regular opportunities to share good practice and achievements.</li> <li>• Involvement in regional performance groups to scrutinise performance, share best practice and identify opportunities for improvement.</li> <li>• A quality assurance process is in place to ensure the reliability and integrity of performance information provided to senior management and the OPCC.</li> <li>• Benchmarking of Cumbria’s performance against most similar forces.</li> </ul> <p>There were no recommendations arising from this audit.</p>		
Budget management – constabulary payroll	<p>The purpose of the audit was to provide assurance over the methodology for preparing the police officer payroll budget and monitoring and reporting on the budget.</p> <p>The following strengths were identified:</p> <ul style="list-style-type: none"> <li>• Responsibility for developing the police officer payroll budget methodology has been clearly defined.</li> <li>• A zero based approach is taken to budget setting, with budgets being built up from the bottom based on existing post and staff data;</li> <li>• There is clarity over finance staff and budget holder responsibilities, which is annually restated through the use of a budget book;</li> <li>• There is ongoing and effective dialogue between the finance team, budget managers, HR and the change team which informs the budget model.</li> <li>• There is a challenge process in place over budget setting at various hierarchical levels. This challenge includes independent recalculation by the Chief Finance Officer with a commitment to further develop this process in the future;</li> <li>• There is a detailed forecast of spend by extrapolating existing staff costs, and incorporating the implications of decisions of the Workforce Development Group.</li> <li>• There are clear explanations for forecasts and variances in narrative reports signed off by the budget holder.</li> </ul>	Substantial assurance	Report circulated to Joint Audit and Standards Committee

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	<ul style="list-style-type: none"> <li>• There is a clear reporting framework and consolidation process.</li> <li>• There is an appropriate escalation process to keep senior management fully informed.</li> </ul> <p>No recommendations were made.</p>		
Mobile devices – project management	<p>The purpose of the audit was to provide assurance over the governance arrangements and project management for Tranche 1 of the mobile devices project.</p> <p>The audit identified a number of areas of good practice:</p> <ul style="list-style-type: none"> <li>• There is an approved business case for the Mobile and digital Programme with clear links to service &amp; organisational objectives.</li> <li>• Approval for the project was based on a full understanding of the benefits against cost outlined in the Business Case</li> <li>• There is a project risk register reflecting current risks, with details of mitigating actions.</li> <li>• There is a link between the project risk register and the organisational risk register which enables higher category project risks to be escalated as necessary.</li> <li>• A Project Steering Group has been appointed to oversee the programme.</li> <li>• A sound project governance structure is in place. There is a clearly defined project team including a named Project Manager and roles &amp; responsibilities have been clearly defined and allocated to all members of the team.</li> <li>• Standard project control methodologies have been adopted (PRINCE2 &amp; MSP).</li> <li>• The Project methodologies ensure that there is a timetable with stage deadlines.</li> <li>• Compliance with the project methodology is rigorously enforced by the Project Team.</li> <li>• A budget has been set in accordance with the Business Case.</li> <li>• Actual expenditure is regularly compared to budgeted expenditure and results are reported monthly to the Project Steering Group.</li> <li>• Mechanisms are in place to ensure appropriate action would be taken on any overspends at key stages of the project.</li> <li>• Comprehensive testing was undertaken to ensure the equipment and applications purchased complied with the requirements set out in the Business case.</li> </ul>	Substantial assurance	Report circulated to Joint Audit and Standards Committee

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	<ul style="list-style-type: none"> <li>• The Project Manager holds regular project meetings where progress and delivery at various stages is discussed.</li> <li>• The Project Manager ensures stage deadlines are achieved and takes appropriate action where a stage deadline may not been achieved.</li> <li>• The Project Manager reports monthly to the Project Steering Group and the OPCC on progress made against timetable.</li> <li>• A post implementation review was carried out at the end of Tranche 1 with lessons learnt to be applied to future stages.</li> </ul> <p>No recommendations were made.</p>		
ICT Strategy	<p>The purpose of the audit was to provide assurance over management’s arrangements for governance of the ICT strategy and plans to deliver it.</p> <p>The audit identified the following areas of good practice:</p> <ul style="list-style-type: none"> <li>• An approved ICT Strategy is in place that clearly supports the delivery of strategic policing objectives, as set out in the Policing Plan.</li> <li>• There is a nominated Director who is accountable for ICT Strategy at a strategic level.</li> <li>• There is an ICT department risk register reflecting current risks, with details of mitigating actions. Risks are discussed regularly and widely at ICT SMT and escalated as necessary.</li> <li>• A sound project governance structure is in place for delivery of the ICT Strategy. There are defined project teams, including named Project Managers, and clearly described roles &amp; responsibilities.</li> <li>• A balance of technical and stakeholder input was received to ensure the ICT Strategy meets business needs / service requirements effectively.</li> <li>• There are regular opportunities to identify lessons learned and good practice and feed this in to delivery mechanisms.</li> <li>• A high level departmental plan is in place that shows how the ICT Strategy will be delivered within specific timescales. Project methodologies ensure there are detailed timetables, with stage deadlines, for the delivery of individual projects within the ICT Strategy.</li> </ul>	Substantial assurance	Report circulated to Joint Audit and Standards Committee

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	<ul style="list-style-type: none"> <li>• Progress against the plans (departmental &amp; project) is monitored regularly by project boards, ICT SMT and Force Strategic Development Board.</li> <li>• There has been full and detailed consideration of the budget and resources required to implement the ICT Strategy, involving Finance, HR and Chief Officers with ongoing discussions around capacity, capability and affordability.</li> </ul> <p>No recommendations were made.</p>		
Complaints Handling (Constabulary)	<p>The audit was undertaken to provide assurance on management’s arrangements for monitoring and reporting of statistical and qualitative data regarding the number and nature of complaints, outcomes and trends and how that information is used to inform and improve future service delivery, both from internal monitoring activity and feedback from the Ethics and Integrity panel.</p> <p>A number of strengths were identified:</p> <ul style="list-style-type: none"> <li>• Cumbria Constabulary has formally adopted the Independent Police Complaints Commission’s (IPCC) statutory guidance on complaints handling and supplemented this with comprehensive and up to date flowchart guidance. The guidance is easily accessible via the force intranet.</li> <li>• Quarterly reporting to the Ethics and Integrity Panel on complaints activity and performance to enable the Police and Crime Commissioner to hold the Chief Constable to account.</li> <li>• The Ethics and Integrity Panel undertakes quarterly dip sampling of constabulary complaint files to independently scrutinise adherence to policy and procedures. Findings and recommendations are shared with the team and acted upon.</li> <li>• Roles and responsibilities for complaints handling are clearly defined with a Detective Inspector post dedicated to complaints management.</li> <li>• Management are committed to developing and improving complaints management arrangements and could demonstrate recent improvement activity to address new IPCC standards regarding access for minority groups.</li> </ul> <p>Two medium priority issues were identified relating to:</p> <ul style="list-style-type: none"> <li>• Including indicative timescales for responses or actions within initial letters to complainants acknowledging receipt of complaints;</li> <li>• Tracking actions determined by the PSD’s Tasking and Co-ordination Group until</li> </ul>	Reasonable assurance	Report circulated to Joint Audit and Standards Committee

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	<p>they are satisfactorily resolved.</p> <p>One advisory issue was raised in respect of surveying complainants with regard to the complaints handling process.</p>		
Complaints Handling (OPCC)	<p>The purpose of the audit was to provide assurance over management’s arrangements complaints handling. The review focussed on policy and procedures and monitoring adherence to them.</p> <p>A number of areas of good practice were identified during the course of the audit:</p> <ul style="list-style-type: none"> <li>• Comprehensive and up to date COPCC arrangements for complaint handling which incorporates the policy and flowchart guidance. These are approved by the Chief Executive and published on the PCC’s website.</li> <li>• Ease of access, through the PCC’s website, for the public to find out how to lodge a complaint against the Constabulary / PCC.</li> <li>• Every effort is made to support complainants throughout the process, including the provision of a guide in both English and Polish and the contact details of other organisations that provide assistance.</li> <li>• Complaints management procedures provide a thorough and structured approach to dealing with complaints, including flowchart guidance.</li> <li>• Responsibility for complaints management is clearly and comprehensively defined.</li> <li>• Sound arrangements are in place for the COPCC to keep abreast of relevant legislation and guidance relating to complaints management.</li> <li>• Ongoing monitoring of adherence to the Complaints policy and procedures, at an appropriate level.</li> <li>• Quarterly reporting by the Constabulary to the Ethics and Integrity Panel on complaints activity to enable the Commissioner to hold the Chief Constable to account.</li> <li>• The Ethics and Integrity Panel undertakes quarterly dip sampling of constabulary complaint files to independently scrutinise adherence to policy and procedures.</li> <li>• Publication of complaints received about the Commissioner and the outcome of each, demonstrating openness to public scrutiny and accountability.</li> </ul>	Substantial assurance	Report circulated to Joint Audit and Standards Committee

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	No recommendations were made.		
Data Protection and Freedom of Information Act (Constabulary)	<p>The purpose of the audit was to provide assurance over management arrangements in place over Freedom of Information and Data Protection requests. The audit focussed on compliance with legislation, efficiency of responses and quality assurance arrangements and tracking and monitoring individual cases against statutory deadlines.</p> <p>The audit identified the following areas of good practice:</p> <ul style="list-style-type: none"> <li>• Regular opportunities are taken for the Force Disclosure Manager to keep abreast of relevant legislation and guidance relating to information requests and identify good practice to inform internal processes.</li> <li>• A logging and tracking system is in place that facilitates monitoring progress against statutory deadlines.</li> <li>• Six monthly reporting by the Constabulary to the Ethics and Integrity Panel on compliance with legislation relating to information requests.</li> <li>• Responsibility for information disclosure is clearly and comprehensively defined within job descriptions and procedures. There is a central resource to manage information requests with key contacts in service areas responsible for collating the information.</li> <li>• Tailored training is provided to staff involved in addressing information requests.</li> </ul> <p>Two medium priority issues were identified in respect of :</p> <ul style="list-style-type: none"> <li>• Supervisory arrangements for confirming compliance with policies and procedures regarding information requests and the quality of outcomes.</li> <li>• The need for regular, structured supervision and feedback on performance for Disclosure and Compliance staff.</li> </ul> <p>One advisory issue was identified with regard to FOI procedures including an initial assessment of whether customers can be directed to information already in the public domain.</p>	Reasonable assurance	Report presented to Joint Audit and Standards Committee 09/03/16



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<p>Data Protection and Freedom of Information Act (OPCC)</p>	<p>The purpose of the audit was to provide assurance over management arrangements in place over Freedom of Information and Data Protection requests. The audit focussed on compliance with legislation, efficiency of responses and quality assurance arrangements and internal case management.</p> <p>Good practice was identified in the following areas:</p> <ul style="list-style-type: none"> <li>• Comprehensive and up to date Subject Access and Freedom of Information procedures are in place which refer directly to relevant legislation and guidance. Arrangements for review of these procedures are clear.</li> <li>• FOI requests received by the COPCC are published on the website in a Disclosure Log. The log provides details of all requests received and responses provided (with links to additional / supporting documents). This demonstrates the COPCC's commitment to supporting information requests and openness and transparency to the public.</li> <li>• Responsibility for information disclosure is clearly and comprehensively defined within job descriptions and procedures.</li> <li>• Tailored training is provided to staff involved in addressing information requests.</li> <li>• Opportunities are taken for the Governance &amp; Business Services Manager to keep abreast of relevant legislation and guidance relating to information requests and identify good practice to inform internal processes.</li> <li>• A logging and tracking system is in place that facilitates monitoring progress against statutory deadlines.</li> <li>• The Commissioner is kept abreast of Constabulary compliance with legislation relating to FOI information requests through six monthly reporting to the Ethics and Integrity Panel. This assists him in holding the Chief Constable to account.</li> </ul> <p>There were no recommendations.</p>	<p>Substantial assurance</p>	<p>Report circulated to Joint Audit and Standards Committee</p>
<p>Safeguarding IT assets</p>	<p>The purpose of the audit was to provide assurance over management arrangements in place for safeguarding IT assets. The audit focussed on policies and procedures and quality of record keeping and monitoring arrangements.</p> <p>We identified the following good practice points:</p>	<p>Reasonable assurance</p>	<p>Report presented to Joint Audit and Standards Committee 09/03/16</p>

## Appendix 1 – Final reports issued to 25 April 2016

	<ul style="list-style-type: none"> <li>• The Service Improvement Plan has identified the need for more consistent and frequent auditing of IT assets;</li> <li>• There is a robust risk management process at the Constabulary ensuring that any significant risk areas relating to IT assets are registered.</li> <li>• There are policies &amp; procedures in place relating to IT assets and all staff have access via SharePoint</li> <li>• Arrangements are in place to identify any new legislation relating to IT assets or the data they hold via the Police on-line Knowledge Area (POLKA)</li> <li>• Staff holding IT assets are required to sign forms (SyOPs) to confirm understanding of their responsibilities relating to asset and the data held within.</li> <li>• Staff are reminded of their responsibilities via intranet on-line news.</li> <li>• IT assets are recorded in a designated asset management tool; MSCM</li> <li>• Processes are in place to ensure that staff leaving the force must return all IT assets</li> <li>• There are secure disposal procedures of hardware and data with a contractor</li> <li>• Access to IT asset storage rooms (and the main server room) is security protected</li> <li>• All IT assets are insured to replacement value.</li> <li>• All IT assets are asset tagged.</li> </ul> <p>Three medium priority recommendations were made in respect of:</p> <ul style="list-style-type: none"> <li>• Formalising responsibility for keeping up to date with emerging legislation;</li> <li>• Updating procedures to include current processes</li> <li>• Establishing a mechanism to demonstrate that all newly purchased equipment is promptly recorded in the database.</li> </ul>		
Code of Ethics	<p>The purpose of the audit was to provide assurance over management arrangements for communication, feedback to staff and lessons learned in respect of the Code of Ethics.</p> <p>We identified the following good practice points:</p> <ul style="list-style-type: none"> <li>• Visible and formal senior management commitment to following the College of Policing’s Code of Ethics;</li> <li>• Quarterly reporting on integrity to the Ethics and Integrity Panel allowing independent review and challenge and to enable the Police and Crime</li> </ul>	Reasonable assurance	Report presented to Joint Audit and Standards Committee 03/05/16.

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	<p>Commissioner to hold the Chief Constable to account;</p> <ul style="list-style-type: none"> <li>• Arrangements to reinforce Code of Ethics training on a regular basis through the PASS newsletter, as part of an ongoing commitment to ethical behaviour are in place;</li> <li>• Support, advice and guidance are readily available to staff on ethical issues and there are frequent reminders of this;</li> <li>• Arrangements are in place for staff to raise ethical issues on a confidential basis. These are made known to all staff;</li> <li>• Opportunities are taken to learn lessons from breaches of professional standards and to increase understanding of ethical behaviour.</li> </ul> <p>Three medium priority recommendations were made around:</p> <ul style="list-style-type: none"> <li>• Ensuring all staff have received mandatory training on the Code of Ethics;</li> <li>• Defining and allocating responsibility for ethical behaviour to a senior manager within the Constabulary;</li> <li>• Consistently implementing consideration of standards of professional and ethical behaviour within the performance development review process.</li> </ul>		
Firearms	<p>The purpose of the audit was to provide assurance over management arrangements for receiving recording, storing and the retention and disposal of surrendered and seized firearms.</p> <p>We identified the following areas of good practice:</p> <ul style="list-style-type: none"> <li>• There is visible senior management support for reducing the volume of unwanted and illegal firearms in circulation in the county, including active participation in national and regional gun amnesties.</li> <li>• The public are actively encouraged to surrender unwanted and unlicensed firearms during gun amnesties as part of a force media strategy.</li> <li>• There is close liaison between Firearms Operations and Firearms Licencing teams.</li> <li>• Safety is paramount during the seizing and surrender of firearms and this message is clearly conveyed through communications, guidance material and the availability of authorised firearms officers throughout the county.</li> <li>• Access to armouries is carefully restricted and both successful and unsuccessful</li> </ul>	Reasonable assurance	Report presented to Joint Audit and Standards Committee 03/05/16.

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	<p>access attempts are logged.</p> <p>Five medium priority issues were identified in respect of:</p> <ul style="list-style-type: none"> <li>• Update of firearms recovery procedures and ensuring all current aspects of firearms handling are included</li> <li>• Ensuring firearms awareness and safe recovery training makes reference to the policy and procedures and where staff can access them.</li> <li>• Further strengthening the arrangements for initial receipting of surrendered firearms and ammunition</li> <li>• Arrangements to assure management that firearms and ammunition records are complete and accurate</li> <li>• Defining arrangements for dealing with seized and surrendered firearms that cannot be returned to lawful owners.</li> </ul> <p>One advisory recommendation was made to ensure information outlining the arrangements for surrendering unwanted and unlicensed firearms is available to the public outside of amnesties.</p>		
Pensions	<p>The purpose of the audit was to provide assurance over management arrangements in place for pensions. The audit focussed on data quality and backdated lump sum adjustment payments calculated by Capita.</p> <p>The following strengths were identified:</p> <ul style="list-style-type: none"> <li>• Back dated amounts owed to police officers were paid in full within Home Office deadlines.</li> <li>• The contract for pensions administration makes it clear that any errors in payment resulting in losses or claims for damages will be met by the Contractor. The Contracting Authority will not indemnify the Contractor for any such loss.</li> </ul> <p>One medium priority recommendation was made to ensure that management have full assurance that adequate data quality checks are undertaken on information supplied to the contractor and used in the pension lump sum calculations.</p>	Reasonable assurance	Report presented to Joint Audit and Standards Committee 03/05/16.

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Creditors	<p>The purpose of the audit was to provide assurance over management arrangements in place for creditors. The audit focussed on procedures and training, permissions and responsibilities, supplier maintenance and set up, system reporting and reconciliations and performance monitoring and reporting.</p> <p>Areas of good practice identified was as follows:</p> <ul style="list-style-type: none"> <li>• Service standards are clearly defined and performance is kept under regular review and reported to senior management.</li> <li>• System validations, exception reporting and reconciliation arrangements contribute to the quality of data in the accounts payable and accounting systems.</li> <li>• The approval and creation of user access profiles is well controlled and takes account of roles to ensure adequate segregation of duties.</li> <li>• The system ensures timely payments are made that meet supplier payment terms.</li> </ul> <p>Three medium priority recommendations were made around:</p> <ul style="list-style-type: none"> <li>• Ensuring accounts payable procedures are kept under review</li> <li>• Providing formal, structured feedback on performance to staff on a regular basis;</li> <li>• Arrangements for deactivating suppliers.</li> </ul>	Reasonable assurance	Report presented to Joint Audit and Standards Committee 03/05/16.
Property Handling follow up	<p>The purpose of the audit was to follow up the implementation of internal audit recommendations made in the property handling audit issued in October 2013. Based on the evidence at the time of the initial audit we concluded that the controls in operation provided limited assurance.</p> <p>Our follow up identified that four of the ten recommendations in the original report had been successfully implemented. The remaining six recommendations were partially completed but that further action is needed to fully address the risks exposed. Progress to date was such that the audit opinion has now been revised to reasonable assurance.</p>	Reasonable assurance	Report presented to Joint Audit and Standards Committee 03/05/16.

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In addition to the above, the Audit Manager attended the Police Audit Group Conference in July. Areas covered at the conference were taken into consideration when preparing the 2016/17 draft Internal Audit plan.

The 2016/17 draft Internal Audit plan was presented to the March 2016 Joint Audit and Standards Committee.

## Appendix 2 – Progress on 2015/16 Audit Plan

PCC / Constabulary Review	Audit	Stage	Feedback form returned
Constabulary	ICT strategy	Complete – Final report issued	Yes
Constabulary	Complaints handling	Complete – Final report issued	Yes
OPCC	Complaints handling	Complete – Final report issued	Yes
Constabulary	Cumbria Safeguarding Hub	Work scoped jointly with Cumbria County Council’s Children’s Services at the request of the Constabulary. Fieldwork will commence in May.	n/a
Constabulary	Mobile devices (project management)	Complete – Final report issued	Yes
Constabulary	Data protection and Freedom of Information Act	Complete – Final report issued	Yes
OPCC	Data protection and Freedom of Information Act	Complete – Final report issued	Yes
Constabulary	Performance monitoring and reporting, including data quality	Complete – Final report issued	Yes
Constabulary	Safeguarding assets	Complete – Final report issued	Yes
Constabulary	Budget management (payroll)	Complete – Final report issued	Yes
Constabulary	Duty Management System	Complete – Final report issued	Yes
Constabulary	Code of ethics / organisational values	Complete – Final report issued	Feedback form issued 18/04/16
Constabulary	Firearms	Complete – Final report issued	Feedback form issued 25/04/16
Constabulary	Governance (procurement & commissioning)	Work scoped and carried forward into 16/17 Internal Audit plan as agreed by the OPCC Chief Finance Officer / Deputy Chief Exec.	n/a
OPCC	Governance (procurement & commissioning)		n/a
OPCC & Constabulary	Financial system review - Pensions	Complete – Final report issued	Feedback form issued 22/04/16
OPCC & Constabulary	Financial system review - Creditors	Complete – Final report issued	Feedback form issued 22/04/16
Constabulary	Follow up – property handling	Complete – Final report issued	Feedback form issued 20/04/16
Constabulary	Annual Governance Statement 2014/15	Complete	n/a

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OPCC	Annual Governance Statement 2014/15	Complete	n/a
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## Appendix 2 – Progress on 2015/16 Audit Plan

Measure	Description	Target	Actual	Explanations for variances / remedial action required
Completion of audit plan	% of audits completed to final report	95% (annual target)	94%	All audit work has been delivered in the year with the exception of the Safeguarding Hub. This work was delayed due to a request from the Constabulary to undertake a joint audit with Cumbria County Council's Children's Services. Work is underway on this audit. The delay of this work does not impact on our ability to provide the annual opinion.
	Number of planned days delivered	217* (annual target)	207	10 days still to be delivered on the Safeguarding Hub audit. * reduced by 15 days from 232 (governance audit of procurement to be carried forward to 16/17).
Audit scopes agreed	Scoping meeting to be held for every risk based audit and client notification issued prior to commencement of fieldwork.	100%	100%	
Draft reports issued by agreed deadline	Draft reports to be issued in line with agreed deadline or formally approved revised deadline where issues arise during fieldwork.	70%	100%	
Timeliness of final reports	% of final reports issued for corporate director comments within five working days of management response or closeout meeting.	90%	100%	
Recommendations agreed	% of recommendations accepted by management	95%	100%	
Assignment completion	% of individual reviews completed to required standard within target days or prior approval of extension by audit manager.	75%	100%	
Quality assurance checks completed	% of QA checks completed	100%	100%	
Customer Feedback	% of customer satisfaction survey scoring the service as good.	80%	90%	Figure is based on ten returned client feedback forms as detailed in Appendix 2.
Chargeable time	% of available auditor time	80%	78%	Chargeable time has

**Appendix 2 – Progress on 2015/16 Audit Plan**

	directly chargeable to audit jobs.			remained stable in the period. It was impacted on in Q2 by a finance team restructure and training. The figure continues to be closely monitored by the audit management team.
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