

# Cumbria Shared Internal Audit Service

## Internal Audit Report for Cumbria Constabulary



## Audit Follow up of Duty Management System

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## Audit Resources

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## Audit Report Distribution

For Action:	Mark Pannone (T/Chief Superintendent Territorial Policing – Audit Sponsor)
For Information:	Michelle Skeer (Deputy Chief Constable) Roger Marshall (Chief Constable's Chief Finance Officer)
Audit Committee	The Joint Audit & Standards Committee, which is due to be held on 15 March 2017, will receive the report.

### Cumbria Shared Internal Audit Service

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## Background

- 1.1. An audit of the Duty Management System was previously carried out in 2015/16. The scope of the work focussed on the following areas:
  - Governance arrangements;
  - Policies, procedures and training;
  - System data.
- 1.2. Based on the evidence provided at that time, the audit concluded that the controls in operation provided *partial* assurance. The management response, agreed at the time of the audit, set out action to be taken in respect of the recommendations.
- 1.3. Internal Audit has recently undertaken a formal follow up audit to provide updated assurance to senior management and the Joint Audit and Standards Committee that the previously agreed actions to address each recommendation have been fully implemented and that controls put in place are working effectively to mitigate the risks previously identified.

## 2. Audit Approach

### 2.3. Follow up Methodology

- The Internal Audit follow up process involved obtaining an update statement from management and then undertaking testing as necessary to confirm that the actions have been fully implemented and that controls are working as intended to mitigate risk.
- It is the responsibility of management to continue to monitor the effectiveness of internal controls to ensure they continue to operate effectively.

## 3. Assurance Opinion

- 3.3. Each audit review is given an assurance opinion and these are intended to assist Members and Officers in their assessment of the overall level of control and potential impact of any identified system weaknesses. There are 4 levels of assurance opinion which may be applied. The definition for each level is explained in **Appendix A**.
- 3.4. Where the outcomes of the follow up confirm that actions have been successfully implemented and controls are working effectively, the internal audit assurance opinion may be revised from that provided by the original audit.

3.5. From the areas examined and tested as part of this follow up review we now consider the current controls operating in respect of the Duty Management system provide **reasonable** assurance. This has been revised from the original opinion of *partial* assurance. Our revised opinion for this follow up audit is restricted to the areas reviewed in the original audit and on this basis we are unable to give a higher than reasonable level of assurance. Another audit, taking into account the current arrangements in place, would be required to give a higher than reasonable level of assurance.

## 4. Summary of Recommendations and Audit Findings

4.3. There are three levels of audit recommendation. The definition for each level is explained in **Appendix B**.

4.4. The previous audit raised **11** audit recommendations for action (2 high priority and 9 medium priority).

- All 11 recommendations have now been successfully implemented (summarised at Section 4.3);

4.5. **Recommendations fully implemented:**

- Objectives of the Duty Management System have been identified and defined and link to strategic policing priorities. As part of the development of the Origin HR Strategic Development plan 2017-19 these objectives have been redefined.
- Ownership of and responsibility for the Duty Management System has been agreed and communicated.
- Arrangements are now in place to ensure officers confirm the accuracy and validity of overtime data entered on the DMS. Force orders have been issued to reiterate the roles and responsibilities of officers making claims.
- DMS procedures have been documented and are available to staff via the intranet.
- DMS skill sets have been identified and training has been provided to Resource Coordinators.
- Arrangements are now in place for Resourcing Co-ordinators to receive regular, structured supervision.
- Arrangements are now in place to check that pay or time is selected for each entry of overtime on DMS prior to payment.
- A suite of reports are now in place to identify incomplete or incorrect DMS records prior to payment of overtime.
- Sergeants and Inspectors have been made aware of the procedures for routing DMS overtime input via Resourcing Co-ordinators.
- Arrangements now in place that ensure overtime is paid or rolled forward as TOIL.
- Arrangements now in place that ensure DMS access permissions are adjusted/removed to correctly reflect job roles and responsibilities.

**Comment from the T/Chief Superintendent Territorial Policing**

All content of this report agreed.

## Audit Assurance Opinions

There are four levels of assurance used; these are defined as follows:

	Definition:	Rating Reason
<b>Substantial</b>	There is a sound system of internal control designed to achieve the system objectives and this minimises risk.	<p>The controls tested are being consistently applied and no weaknesses were identified.</p> <p>Recommendations, if any, are of an advisory nature in context of the systems and operating controls &amp; management of risks.</p>
<b>Reasonable</b>	There is a reasonable system of internal control in place which should ensure that system objectives are generally achieved, but some issues have been raised which may result in a degree of risk exposure beyond that which is considered acceptable.	<p>Generally good systems of internal control are found to be in place but there are some areas where controls are not effectively applied and/or not sufficiently developed.</p> <p>Recommendations are no greater than medium priority.</p>
<b>Partial</b>	The system of internal control designed to achieve the system objectives is not sufficient. Some areas are satisfactory but there are an unacceptable number of weaknesses which have been identified and the level of non-compliance and / or weaknesses in the system of internal control puts the system objectives at risk.	<p>There is an unsatisfactory level of internal control in place as controls are not being operated effectively and consistently; this is likely to be evidenced by a significant level of error being identified.</p> <p>Recommendations may include high and medium priority matters for address.</p>
<b>Limited / None</b>	Fundamental weaknesses have been identified in the system of internal control resulting in the control environment being unacceptably weak and this exposes the system objectives to an unacceptable level of risk.	<p>Significant non-compliance with basic controls which leaves the system open to error and/or abuse.</p> <p>Control is generally weak/does not exist. Recommendations will include high priority matters for address. Some medium priority matters may also be present.</p>

## Grading of Audit Recommendations

Audit recommendations are graded in terms of their priority and risk exposure if the issue identified was to remain unaddressed. There are three levels of audit recommendations used; high, medium and advisory, the definitions of which are explained below.

		Definition:
<b>High</b>	●	Significant risk exposure identified arising from a fundamental weakness in the system of internal control
<b>Medium</b>	●	Some risk exposure identified from a weakness in the system of internal control
<b>Advisory</b>	●	Minor risk exposure / suggested improvement to enhance the system of control