

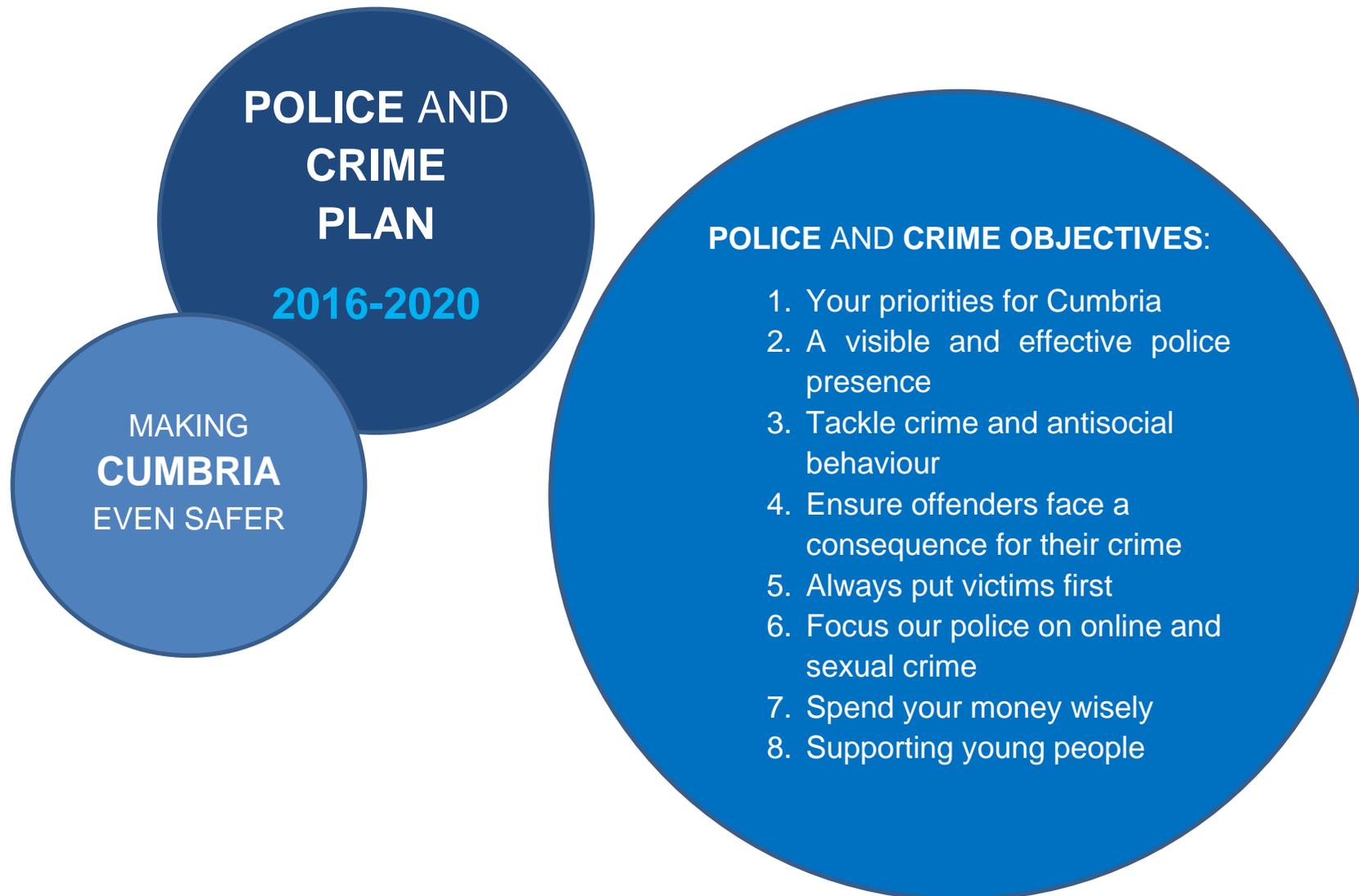


Cumbria Office of the Police and Crime Commissioner
and
Cumbria Constabulary

INTERNAL AUDIT PLAN 2021/22

1. Introduction

1.1 The Internal Audit Plan for 2021/22 has been prepared based on analysis of the strategic risk registers, Police and Crime Plan 2016-2020 and other factors affecting the OPCC and Constabulary in the year ahead.



2. Developing the Internal Audit Plan

2.1 The OPCC and Constabulary's strategic risk registers have been used as the starting point for the development of the audit plan (see Appendix 1a for the full plan). The documented risks were used as a basis for audit planning discussions with members of the Leadership Team to identify the areas where independent assurance from Internal Audit was most appropriately focused in order to deliver the mandatory annual Internal Audit opinions.

2.2 We also supplemented these planning discussions with other sources of information to inform the audit plan as shown in the diagram below:



2.3 Following on from the approach for the production of the 2020/21 plan, we have sought to align the audit plan with risks documented within the strategic risk registers, where relevant. On a quarterly basis the Joint Audit Committee sees the strategic risk registers which document the key risks facing both organisations and controls and other assurances in place to mitigate these risks. Risks have also been identified through professional networks, review of other OPCC and Constabulary audit plans and attendance at training and development events. These have been considered within our risk assessment process and included within the plan as appropriate.

3. The Internal Audit Service

3.1 Mission

3.1.1 The mission of internal audit is defined within the PSIAS as:

To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

3.1.2 The plan has been prepared in line with the mission to ensure there is adequate audit coverage to deliver the mandatory annual assurance opinions as well as to fulfil the requirement to provide advice and insight to the organisation.

3.2 Resourcing

3.2.1 The internal audit plan will be delivered by the in-house team of internal audit staff. Internal Audit is a shared service between the County Council and the Office of the Police & Crime Commissioner / Cumbria Constabulary. The number of audit days to be delivered for the OPCC and Constabulary is 281, as agreed in the Shared Service agreement. This year we have 10 days brought forward from 2020/21 to undertake the Phase 2 work on the Business Transformation Project – Finance. The current level of resource is appropriate to deliver the planned number of audit days.

3.2.2 We have continued to include time within the plan for advisory / consultancy style work as part of our development of the internal audit service aimed at providing wider support to the Constabulary and OPCC which was an area highlighted as part of the EQA. In this year's plan we have taken into consideration the lessons learned from undertaking advisory / consultancy work in 2019/20 and

2020/21 and included one larger review of 'Use of Estate moving forward'. Overall 25 days of the plan has been allocated to advisory / consultancy work which equates to 9% of overall resources in the plan, which is the same as in 2020/21.

3.3 Conformance with the PSIAS

- 3.3.1 Under the PSIAS, internal audit is required to have an external quality assessment (EQA) every five years. The first assessment had to be completed by 31 March 2018. The EQA of the Shared Internal Audit Service was undertaken in October 2017. The review concluded that the service 'generally conforms' with the standards (the highest assessment available) and the 'audit methodology contains all the required elements of the standards'.
- 3.3.2 We have already addressed most recommendations arising from the assessment, and where appropriate, arrangements are now well embedded in the preparation of this audit plan.
- 3.3.3 We have a rigorous Quality Assurance and Improvement Programme to ensure a high quality of service is maintained.

Appendix 1a – Draft Internal Audit plan 2020/21

Audit Review	Description	Days
Financial sustainability (Constabulary / OPCC)	<p>Financial pressures remain on both the OPCC and Constabulary strategic risk registers. The audit would provide updated assurance over the ongoing arrangements for financial sustainability during this time of financial uncertainty for the OPCC and Constabulary.</p> <p>We anticipate that this will be an annual review for the foreseeable future given the current financial climate.</p>	15
Benefits delivery process (Constabulary / OPCC)	<p>There has been significant investment in projects to drive efficiencies within the organisation. An audit review to provide assurance on the arrangements for realising the benefits from this investment will be undertaken once the arrangements set in place in late 2020/21 are embedded.</p> <p>Our report in 2021 gave partial assurance. Given that arrangements were still being put in place, we propose to undertake a full audit review in 2021/22 rather than a follow up.</p>	20
New Business Transformation Project (BTP) Establishment processes (Constabulary)	Identified as a priority by management for the 2020/21 internal audit plan. The review was removed when the 2020/21 audit plan was reassessed in June 2020 but has been included in the 2021/22 plan. The audit will provide independent assurance that the newly developed processes have the correct level of internal controls and that data is timely and accurate.	20
New Business Transformation Project (BTP) finance (Constabulary)	Identified as a priority by management in the 2020/21 internal audit plan. Our review was to take place in two phases. The project implementation was originally planned for 5th October 2020 but was delayed until the end of January 2021 and, as a result of this, we were only able to undertake phase one in 2020/21. Phase 2 will be a post implementation review and will look at the system in operation in 2021/22.	10

Audit Review	Description	Days
New Business Transformation Project (BTP) Duties Management (Constabulary)	The new duties management system was implemented in January 2021. The audit will provide assurance that the controls in place are working effectively.	20
Digital leadership Programme (Constabulary)	The Constabulary has implemented new ways of digital working over the past few months and has introduced a Digital Leadership Programme. The review will provide assurance that the skills and knowledge relayed through the Digital Leadership Programme are being put into practice in the workplace.	20
Agile workforce (Constabulary) Agile workforce (OPCC)	<p>The COVID-19 pandemic has resulted in both organisations' workforce becoming more agile. The review will provide assurance that the Constabulary and OPCC have provided appropriate advice and equipment (including Display Screen Equipment assessments) to allow staff to safely do their job.</p> <p>We will also provide assurance that working practices established in respect of wellbeing, support and supervision are being complied with.</p> <p>As the arrangements for the Constabulary and OPCC may differ we will issue separate reports for each organisation.</p>	25
Resource allocation / workforce planning.	The review would provide assurance over the Constabulary's annual arrangements to analyse demand and subsequently allocate resources. The review will also consider the consistency of spans of command.	20
COVID-19 and the organisation's response to COVID-19 / Recovery & Renewal	<p>The impact of COVID-19 has fundamentally cut across the whole organisation with over 1,000 actions being undertaken and completed.</p> <p>We will undertake a piece of work in relation to how the Constabulary has responded to COVID. The focus of the work will be agreed at the time of the review to ensure that it provides the most benefit to the organisation.</p>	20

Audit Review	Description	Days
OPCC – Complaint reviews	Complaints became the responsibility of the PCC in 2020. The audit will provide independent assurance that the review process in place within the OPCC is robust and is being complied with.	15
Preparedness for the McCloud remedy	This risk based audit would provide assurance over the arrangements the OPCC / Constabulary have in place to implement the McCloud remedy which impacts on pensions.	15
Financial systems – Payroll	Cyclical financial system audit which will focus on compliance with key controls.	15
Financial systems - Inventory	Cyclical financial system audit which will focus on compliance with key controls.	15
Advisory / Consultancy work Use of Estate moving forward	Many people are now working from home and it is anticipated that this will remain the case for some time. The organisation will need to consider how it uses the estate moving forward. Our work will provide assurance that the future direction and use of the Estate aligns to the Estate Strategy.	25
Risk management and governance (Constabulary / OPCC)	Work to support the annual opinions.	10
Attendance at Police Audit Training & Development event	This is an important part of the development of the internal audit service to the OPCC / Constabulary and provides insights into current issues, risks and audit matters relevant to our police audit work.	2

Audit Review	Description	Days
Internal audit management	<p>Time is built into the plan for the management of the shared service in relation to work undertaken for the constabulary and the Commissioner's Office, to include:</p> <p>Attendance at Joint Audit Committee (5 meetings in year)</p> <p>Preparation of progress reports, annual reports and opinions</p> <p>Audit planning</p> <p>Management liaison</p> <p>Effectiveness of internal audit – Compliance with PSIAS</p>	<p>4</p> <p>6</p> <p>9</p> <p>4</p> <p>1</p>
Total		291

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