

Office of the Cambridgeshire Police and Crime Commissioner and Cambridgeshire Constabulary

[Internal Audit Progress Report – 2014/15](#)

Joint Audit Committee Meeting – 11 December 2014

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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1. Introduction

The periodic internal audit plan for 2014/15 was approved by the Joint Audit Committee (JAC) in March 2014. This report summarises the outcome of work completed to date against that plan, and Appendices B and C provide cumulative data in support of internal audit performance.

2. Reports Issued

We have issued three final reports and one revised draft since the last meeting:

2013/14

- Collaboration – Procurement (16.13/14); - This is currently in draft awaiting revised comments from management and will be finalised very shortly when comments are received from Hertfordshire Police. Following additional information being provided, the opinion has now changed from Amber / Red (some assurance) to Amber / Green (reasonable assurance).

This is the only outstanding report from 2013/14.

2014/15

- Commissioning, Partnership Working and Delivery of the Police and Crime Plan (2.14/15)
- Budgetary Control (3.14/15)
- Asset Management (4.14/15)

3. Key Findings from Internal Audit Work

The JAC should note that the assurances given in our audit assignments are included within our Annual Assurance report. In particular the JAC should note that any negative assurance opinions will need to be noted in the annual report and may result in a qualified or negative annual opinion. We have not issued any reports to date that will negatively impact our year end opinions for either the Force or the OPCC.

No common weaknesses have been identified within our reports so far for 2014/15.

4. Work in Progress or Planned

We have split the review of Equality and Diversity and Child Protection into two separate reviews as the HMIC report on Child Protection is not yet available for review. We have completed our fieldwork on Equality and Diversity and will therefore shortly be issuing the draft report in this area.

5. Planning and Liaison

Meetings have been held with the Chief Finance Officers to discuss the work completed to date, scoping of upcoming reviews and our key findings. In addition, regular meetings have been held with the Internal Auditors for Hertfordshire Police (Baker Tilly also provides the Internal Audit Service to Bedfordshire Police) to discuss the outcomes and progress of the collaborative reviews.

6. Other Assurances

As part of our agreed audit plan we included some collaborative reviews across Bedfordshire, Cambridgeshire and Hertfordshire. We have included in Appendix D the outcome of the final reviews including the level of assurance and number of recommendations. The final reports have been sent to members of the JAC separately for information, however, the scrutiny of these reviews will be undertaken by the individual lead JAC.

7. Changes to our Plan

Since the last Committee we have been requested by management to delay the review of Child Protection & Equality until Q3. As reported earlier in our report we have now split the review of Equality and Diversity and Child Protection into two separate reviews as the HMIC report on Child Protection is not yet available for review.

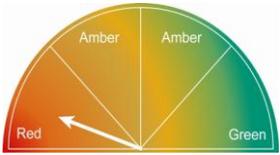
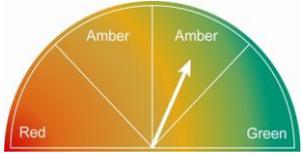
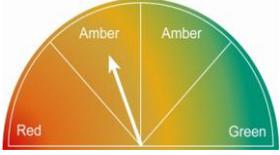
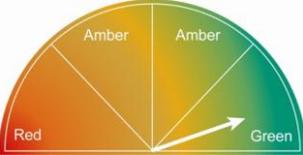
8. Sector Guidance

We have issued the following publications and updates electronically since the last Joint Audit Committee:

- Emergency Services News Briefing – October 2014
 - Code of Ethics: A Code of Practice for the Principles and Standards of Professional Behaviour for the Policing Profession of England and Wales.
 - Fire Incidents Response Times: England, 2013-14.
 - Revised PACE Code A.
 - Core business: An inspection into crime prevention, police attendance and the use of police time.
 - A master class in managing contracts and getting best value from third party providers.
 - New National Fraud Initiative Security Policy Compliance Declaration.

APPENDIX A: Definitions of the levels of assurance and the classification of recommendations

Recommendation Categorisation	
Priority	Description
High	Recommendations are prioritised to reflect our assessment of risk associated with the control weaknesses.
Medium	
Low	

Opinions			
The definitions for the level of assurance that can be given are:			
Opinion	Description	Opinion	Description
	<p>Taking account of the issues identified, the OPCC & Force cannot take assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied or effective. Action needs to be taken to ensure this risk is managed.</p>		<p>Taking account of the issues identified, the OPCC & Force can take reasonable assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied and effective. However we have identified issues that, if not addressed, increase the likelihood of the risk materialising.</p>
	<p>Taking account of the issues identified, whilst the OPCC & Force can take some assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied and effective, action needs to be taken to ensure this risk is managed.</p>		<p>Taking account of the issues identified, the OPCC & Force can take substantial assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied and effective.</p>

APPENDIX B: OPERATIONAL PLAN PERFORMANCE 2014/15

Detailed below is a summary of the work undertaken in 2014/15 to date, showing the levels of assurance given and the number of recommendations arising. Definitions with regard to the levels of assurance and the classification of recommendations are provided overleaf.

2013/14

Auditable Area	Status	Assurance level given	Number of Recommendations Made				
			H	M	L	In Total	Agreed
Collaboration – Procurement (16.13/14)	Revised Draft 2 December 2014	Amber / Green	0	2	4	6	

2014/15

Auditable Area	Status	Assurance level given	Number of Recommendations Made				
			H	M	L	In Total	Agreed
Governance Framework (1.14/15)	FINAL (Sept 14 JAC)	OPCC – Green Force – Green	0	0	5	5	5
Commissioning, Partnership Working and Delivery of the Police and Crime Plan (2.14/15)	FINAL (Dec 14 JAC)	Green	0	0	2	2	2
Budgetary Control (3.14/15)	FINAL (Dec 14 JAC)	Green	0	1	0	1	1
Asset Management (4.14/15)	FINAL (Dec 14 JAC)	Green	0	0	0	0	0

APPENDIX C: 2014/15 WORK IN PROGRESS (including reports still in draft)

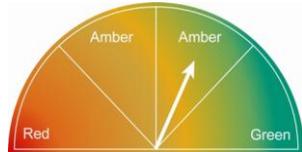
Auditable Area	Planned start date	Status / Comments
Equality & Diversity	17/11/2014	In Quality Assurance
Child Protection	January 2015	Split from Equality and Diversity Review due to delay in receipt of HMIC report in this area. Time to be scheduled once report received
Payroll (including Pensions and Expenses)	16/01/2015	Audit delayed to January 2015 due to sickness of Baker Tilly staff and could not be arranged sooner due to annual leave commitments of Force staff.
General Ledger	15/01/2015	As above
Follow Up	19/01/2015	
Risk Management	19/01/2015	
Complaint Handling, Integrity & Transparency	04/03/2015	
Proactive Fraud	March 2015	Awaiting confirmation from Force regarding specific timing
Seized and Lost Property	March 2015	Awaiting confirmation from Force regarding specific timing
IT Strategy	Q4	To be completed by SIAS (Herts)

APPENDIX D: Other Assurances (for information only)

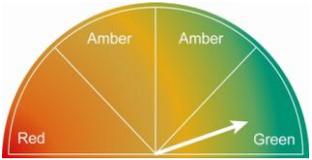
Auditable Area	Status	Assurance level given	Number of Recommendations Made				
			H	M	L	In Total	Agreed
Bedfordshire							
JPS Governance Follow up	FINAL (Sept 14 JAC)	Amber / Green	1	0	1	2	2
Governance Arrangements for Eastern Region Serious Organised Unit (ERSOU) & Counter Terrorism Unit (CTU)	FINAL (Dec 14 JAC)	Amber / Green	0	2	1	3	3
Preparedness for Athena	Q4						
Hertfordshire							
Wider ERSOU (Eastern Region Special Operations Unit) - Covert Accounts and operations	FINAL (Sept 14 JAC)	SIAS - Substantial	0	2	6	8	8
Collaborative Financials	Nov 14 Delayed timing in discussion with management	To be completed by SIAS (Herts)					
Cameras Tickets and Collisions	Draft Report	To be completed by SIAS (Herts)					

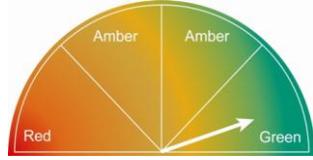
SIAS - Different opinions used (Full, Substantial, Moderate, Limited, No Assurance)

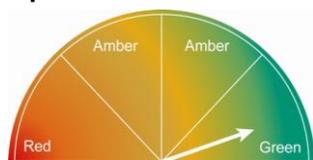
APPENDIX E: Action Plans (HIGH and MEDIUM recommendations only) further information for Red and Amber / Red opinions.

Assignment: Collaboration – Procurement (16.13/14) – still in draft						Opinion: 	Recs: H - 0 M - 2 L - 4
Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible	
1.1b	<p>That the Strategic Procurement Action Plan (Strategy) and the Procurement Delegated Authority and Threshold document be formally approved by the three Police and Crime Commissioner's in a timely manner.</p> <p>It is noted however that the timeline is the 1st July 2014 and therefore there is some urgency in obtaining formal approval.</p> <p>Once agreed and subject to any changes resulting from the Procurement Strategy Business Case, the procurement procedures should be updated and issued.</p>	Medium					

1.7	All staff within the Joint Procurement Department should be involved in all appropriate aspects of contract and procurement negotiation throughout the three Forces as they would be more aware of overall spend limits and compliance with Standing Orders etc. and there would be greater opportunities to achieve Value for Money savings.	Medium				
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Assignment: Commissioning, Partnership Working and Delivery of the Police and Crime Plan (2.14/15)				Opinion: 	Recs: H - 0 M - 0 L - 2	
<p>This assurance was based around the design of controls and compliance with the controls at the time of the audit. It is recognised that amendments to practices and processes for actual commissioning will need to be enhanced and/or developed once the services/support to be provided have been identified and an option appraisals undertaken to determine the most appropriate way of procuring these for the October 2014 start.</p> <p>It is also recognised by the Commissioner that future grant allocations are required to be subject to enhanced terms and conditions to reflect the more outcomes-focused approach required.</p>						
Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
No High or Medium Recommendations						

Assignment: Budgetary Control (3.14/15)					Opinion: 	Recs: H - 0 M - 1 L - 0
Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
1.1	In order to ensure that authorisation levels for virements do not contravene the Force Financial Instructions, management should make a decision to amend the Force Financial Instructions to reflect practical authorisation levels.	Medium	Y	The Chief Finance Officer has given the appropriate delegated authority to the Chief Accountant and Principal Management Accountant. This arrangement will be formalised in the Force Financial Instructions within a week.	Complete	Deputy Director of Resources

Assignment: Asset Management (4.14/15)					Opinion: 	Recs: H - 0 M - 0 L - 0
Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
No High or Medium Recommendations						