



**To:** Joint Audit Committee

**From:** Chief Constable

**Date:** 11<sup>th</sup> December 2014

## FINANCE AUDIT RECOMMENDATIONS – PROGRESS REPORT

### 1. Purpose

1.1 This report provides details of progress in addressing audit recommendations (high or medium) in the financial business areas.

The recommendations may arise from external audit, internal audit or Her Majesty Inspectorate of Constabularies (HMIC)

### 2. Background

2.1 Monitoring of the recommendations from financial audit reports is undertaken by the Chief Finance Officer. Management responses are agreed with the Auditor and then monitored to ensure that they are dealt with within the timescales.

2.2 Financial activities are subject to a great deal of audit scrutiny during the year. The progressing of financial recommendations is critical to ensuring that the finance function operates effectively and also because the external auditor relies on the internal audit work in the context of the final accounts audit.

2.3 Recommendations are prioritised into high, medium or low importance by the auditor. To indicate the extent that actions are on target for completion, each recommendation is colour coded (Red/Amber/Green) according to the following definitions:

- Red – recommendation posing significant risk to the Constabulary
- Amber – progress with implementation slipped/over budget/over timescale. After 6 months at Amber with no discernable progress the recommendation is declared Red,
- Green – on going – action in progress in line with anticipated timescale.
- Green – complete – actions fully completed and implemented

- Blue – not agree and / or unable to pursue with reasons given i.e. unrealistic, impractical, too costly or out of date.

### 3. Current Status

- 3.1 The last plan was fully completed and we have had only 2 completed audits so far this year, budgetary control and asset management; there is only 1 recommendation arising from these audits:-

*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.*

This was carried out immediately and is now considered Green Complete

### 4. Recommendation

- 4.1 The Committee is recommended to
- a) Note the progress as reported.

### BIBLIOGRAPHY

Source Document (s)	Contact Officer	Location
Internal Audit reports as listed above	Niki Howard Chief Finance Officer (Constabulary) 01480 422230 <a href="mailto:niki.howard@cambs.pnn.police.uk">niki.howard@cambs.pnn.police.uk</a>	Police Headquarters Hinchingsbrooke Park Huntingdon Cambridgeshire PE29 6NP