

Police and Crime Commissioner for Hampshire and Hampshire Constabulary

Appendix A

Joint Audit Committee

24 September 2013

Internal Audit progress report 2013/14

Report of the Chief Finance Officer to the Police and Crime Commissioner

1. Opinion definitions

Opinion	Framework of governance, risk management and management control
Substantial assurance	A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified.
Adequate Assurance	Basically a sound framework of internal control with opportunities to improve controls and/or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited assurance	Significant weakness identified in the framework of internal control and/or compliance with the control framework which could place the achievement of system objectives at risk.
No assurance	Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks to the achievement of system objectives.

2. Status of 'live' reports, those cleared since the last progress report and 2013/2014 reports

Audit title	Audit scope	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)				
				Original	Current	Reported	Cleared	Pending	Overdue	Not accepted by HC
2012/13										
Firearms licensing	Full scope review – assessment of applications, granting of licences, review and revocation.	23/07/12	DCC	Adequate	Adequate	7(0)	6(0)		1(0)	
Workforce planning and utilisation	Review of work carried out to allocate officer resources.	11/02/13	Dir of HR	Adequate	Adequate	9(1)	9(1)			

Audit title	Audit scope	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)				
				Original	Current	Reported	Cleared	Pending	Overdue	Not accepted by HC
Risk management	Review of arrangements in place for the Strategic Risk Register and those at the level below this. This review did not cover operational police work.	2/05/13	DCC	Limited	Limited	8(3)		5(0)	3(3)	
				<i>Testing found that the processes in place for strategic risk management were sound, however issues were identified with the level below this where area reorganisation had left potential gaps.</i>						
Collaboration – Witness protection – governance and finance	Governance and financial arrangements/ procedures.	03/05/13	DCC	Limited	Adequate	13(4)	13(4)			

Audit title	Audit scope	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)				
				Original	Current	Reported	Cleared	Pending	Overdue	Not accepted by HC
Payroll	Full scope review	30/05/13	CFO to the CC	Adequate	Adequate	5(0)	4(0)			1(0) ¹
HR Modernisation – data migration	Migration of data from the Delphi computer system to iTrent.	17/06/13	Dir of HR	Adequate	Adequate	7(0)	7(0)			

¹ Observation related to the fact that amendments to payroll were not checked by a second person – management accepted the risk here as they felt the resource was not available to carry out these checks.

Audit title	Audit scope	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)				
				Original	Current	Reported	Cleared	Pending	Overdue	Not accepted by HC
				Pension arrangements	Arrangements in place at the Constabulary in relation to pensions provision (data provided to pension provider, monitoring of data from provider etc.).	11/07/13	CFO to the CC	Limited	Adequate	5(0)
				This assurance relates to the processes and controls in place at the Constabulary. Errors identified did not have any material impact on pension payments or the information held by HCC Pension Services, due to their own corrective actions.						

Audit title	Audit scope	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)				
				Original	Current	Reported	Cleared	Pending	Overdue	Not accepted by HC
Business continuity part two	Follow up of previous report's actions – focused on BC within stations and the roll out of new Emergency Response Boards. This review did not cover operational police work.	27/08/13	DCC	Limited	Limited	4(0)	1(0)		3(0)	
Scientific services (Joint with Hampshire County Council)	Implementation and management of the shared forensic service with HCC.	10/09/13	DCC	Adequate	Adequate	6(6)		6(6)		

Audit title	Audit scope	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)				
				Original	Current	Reported	Cleared	Pending	Overdue	Not accepted by HC
2013/14										
Treasury management	Testing for this audit reviewed aspects of the process which are unique to the Constabulary and which were thus not covered in a previous HCC audit. Assurance also taken from the audit of HCC Treasury Management.	11/08/13	CFO to the CC	Substantial	Substantial	0(0)				

3. Internal audit performance

3.1 The 2013/14 internal audit plan was prepared in line with the internal audit charter and totals 244 days. As at 31 August

2013 we have delivered 49% of this plan.

- 3.2 The plan was reviewed in September 2013 with the OPCC and HC to ensure that it still reflects current risks and as a result amendments were made adding two reviews, one on the Police and Crime Plan and one on the Stage 2 transfer. The Estates Strategy review and Risk Management review were removed from the plan due to the current work being undertaken by the OPCC and CC in these areas. It was agreed that reviews of these areas in 2014/15 would be more appropriate.

4. Rolling work programme

Audit title	Audit Sponsor	Audit Progress				
		Audit Outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
2012/13 Audit Plan						
Business continuity and disaster recovery Part 2	DCC	✓	✓	✓	✓	27/08/13
Scientific services	DCC	✓	✓	✓	✓	10/09/13
HR modernisation project – data migration	Dir of HR	✓	✓	✓	✓	17/6/13
Pension arrangements	CFO to the CC	✓	✓	✓	✓	11/07/13

Audit title	Audit Sponsor	Audit Progress				
		Audit Outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
2013/14 Audit Plan						
Health and safety arrangements	DCC	✓	✓			
Accounts payable	CFO to the CC	✓	✓	✓		
Cash collection and banking (themed review)	CFO to the CC	✓	✓	✓		
Treasury management	CFO to the CC	✓	✓	✓	✓	11/8/13
Revenue contracts	CFO to the CC	✓	✓	✓	✓	
Recruitment, pre-employment checks and leavers	Dir of HR	✓	✓			
Collaboration arrangements – Joint operations	DCC	✓	✓	✓	✓	
Service centre	DCC	✓	✓			
Shared services (with non-police bodies – Hampshire County Council and Hampshire Fire and Rescue Authority)	DCC	Q3				
Pro-active fraud work	Head of PSD	Q3				
Payroll	CFO to the CC	Q3				
Stage 2 transfer	CFOs to the CC and PCC	Q3				

Audit title	Audit Sponsor	Audit Progress				
		Audit Outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Supply chain management	DCC & CFO to the CC	Q4				
Decision making and accountability	DCC	Q4				
HR Modernisation/self-service	Dir of HR	Q4				
Police and Crime Plan (scope to include grants to Community Safety Partnerships)	PCC	Q4				
Estates strategy review	CFO to the CC	Postponed to 2014/15				
Risk management	DCC	Moved to Q1 2014/15				
National Fraud Initiative	CFO to the CC	N/A				
2013/14 Collaboration audits						
Information management	Thames Valley					
ICT	Thames Valley					
South East Regional Organised Crime Unit (SEROUCU)	Thames Valley					

Key to sponsors

DCC	Deputy Chief Constable
Dir of HR	Director of Human Resources
CFO to the CC	Chief Finance Officer to the Chief Constable
Head of PSD	Head of Professional Standards Department