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INTERNAL AUDIT ACTIVITY REPORT 2016/17

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Introduction

1. The role of the Internal Audit Team is to provide members and managers with independent assurance on the effectiveness of controls that are in place to ensure that the Police and Crime Commissioner and Chief Constable's objectives are achieved. The work of the Team should be directed to those areas and risk which will most impact upon the Police and Crime Commissioner and Chief Constable's ability to achieve these objectives.
2. Upon completion of an audit, an assurance opinion is given on the soundness of the controls in place. The results of the entire audit programme of work are then summarised in an opinion in the Annual Internal Audit Report on the effectiveness of controls within the organisation.
3. This Activity report provides members of the Joint Audit Committee with a summary of the Internal Audit work undertaken, together with a summary of audit opinions, during the period 1st April 2016 to 3rd March 2017.
4. The report also summarises the key findings from those reviews where an audit opinion of "Controlled but needs Improvement" or "Inadequately Controlled" has been assigned. Explanations of the 4 levels of assurance are given in **Appendix 1**.

Progress Summary

5. Attached at **Appendix 2** is a summary of Internal Audit progress against planned activity for 2016/17. The appendix summarises the status of each audit review and the level of assurance provided where applicable. 77 reviews have been completed to either final or draft stage for the period to 3rd March 2017, including reviews carried forward from the 2015/16 Internal Audit Plan.
6. **Table 1** details those audits that have been finalised since the previous report to the Committee in December 2016.

Table 1: Finalised Audit Assurance Work in the period December 2016 to 3rd March 2017

No.	Audit Type	Audit Review	Assurance Opinion
Completion of 2015/16 Audits reported in 2016/17			
01	Departmental Review	Learning and Development	Controlled
02	Functional Area	Forensic Support	Well-Controlled
03	Functional Area	Procurement	Controlled, but needs Improvement
04	Functional Area	Training – Internal / External	Controlled
05	Functional Area	Value for Money - Grants	Controlled, but needs Improvement
Completion of 2016/17 Planned Audits			
06	Functional Area	Assisting Offenders Unit	Controlled
07	Functional Area	BACSTEL	Controlled, but needs Improvement
08	Functional Area	Building Maintenance	Controlled, but needs Improvement
09	Functional Area	Inventory – Asset registers	Well-Controlled



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No.	Audit Type	Audit Review	Assurance Opinion
10	Functional Area	Shared Services – Payroll variations	Controlled, but needs Improvement
11	Functional Area	Special Operations – Regional Undercover Unit	Well-Controlled
12	Functional Area	WMP2020 Risk Management	Controlled, but needs Improvement
13	Functional Area	Attendance and Sickness Management	Controlled
14	Functional Area	IT Change Control	Well-Controlled
15	Functional Area	Interpreters	Controlled
16	Functional Area	Special Services Income	Controlled
17	Follow Up	CMPG	Controlled
18	Follow Up	Coventry NPU	Controlled
19	Follow Up	CTU Department	Controlled
20	Follow Up	Facilities Department	Controlled
21	Follow Up	Finance and Shared Services	Controlled
22	Follow Up	Force CID	Well-Controlled
23	Follow Up	National Police Air Service (2 nd review)	Controlled
24	Follow Up	OPCC	Controlled
25	Follow Up	Payroll	Controlled, but needs improvement
26	Follow Up	Police Probation	Controlled, but needs improvement
27	Follow Up	Special Constables	Controlled, but needs improvement
28	Follow Up	Events Management	Controlled
29	Follow Up	Homicide Team	Well-Controlled

* The opinions for Follow Up audits are based on audits re-assessment following review of supporting evidence provided by management to confirm implementation of recommendations.

7. Summaries of key findings from the finalised reports issued from those reviews where an audit opinion of “Controlled but needs Improvement” or “Inadequately Controlled” has been assigned are provided in **Appendix 3**.
8. The following audits are nearing completion with draft reports issued and management comments awaited:
 - Access and Usage of Intelligence Systems
 - Social Media Risk Management
 - Seized Monies

Recommendations Analysis

Implementation of Internal Audit Recommendations

9. Internal Audit follow-up recommendations to ensure they have been implemented. This is based on reviewing the initial actions agreed by management. During 2016-17, 26 audits have been followed up during the year to date.
10. An analysis of the implementation of management actions is shown in Table 2 below:



Table 2 – Analysis of Follow-Up Audits 2016-17

No.	Follow-Up Audit	Total Recs	Implemented	Partially Implemented	Open/Not Implemented
1	Driver Development Unit	1	1 (100%)	-	-
2	Events Management	5	2 (20%)	2 (60%)	1 (20%)
3	Fuel Card Management	1	1 (100%)	-	-
4	Management of Police Information	2	1 (50%)	-	1 (50%)
5	National; Police Air Service (NPAS) (x2 reviews)	4	4 (100%)		
6	Winsor Allowances (2)	1	-	-	1 (100%)
7	Business Continuity (2)	2	-	-	2 (100%)
8	Recruitment	5	4 (80%)	1 (20%)	-
9	VAT (2)	1	1 (100%)	-	-
10	Occupational Health	7	-	-	7 (100%)
11	General Stores	8	5 (63%)	-	3 (37%)
12	Airport Policing Unit – Firearms & Armoury	3	3 (100%)	-	-
13	GRS Project	1	1 (100%)	-	-
14	Expenses & Allowances (2)	2	-	1 (50%)	1 (50%)
15	Birmingham South LPU	1	1 (100%)	-	-
16	CMPG	3	3 (100%)		
17	Coventry NPU	1		1 (100%)	
18	CTU Department	1	1 (100%)		
19	Facilities Department	1	1 (100%)		
20	Finance and Shared Services	3	3 (100%)		
21	Force CID	2	2 (100%)		
22	OPCC	3	3 (100%)		
23	Payroll	8	5 (63%)	1 (12%)	2 (25%)
24	Police Probation	1			1 (100%)
25	Special Constables	4	1 (25%)		3 (75%)
26	Homicide	1	1 (100%)		
	Total	72	43	6	22

11. Table 2, therefore, identifies a 69% implementation rate (fully and partially) for those recommendations follow-up to date during 2016/17. Some of the recommendations have been delayed due to WMP2020 projects and system changes being made to address the recommendations made. These will continue to be monitored in line with agreed processes.
12. Progress in implementing agreed recommendations will be monitored and reported accordingly. A summary of the recommendations agreed with management to date in 2016/17 is provided in **Table 3** below:

Table 3 – Breakdown of Recommendations 2016/17

Recommendations Agreed	2016/17 to Date	2015/16	2014/15
Major ⚡	0	0	0
Significant ⚡	46	19	19
Moderate ⚡	78	75	103
Low ☆	17	19	29
Number of recommendations agreed	138	113	151



On-Going Status of Major/Significant Recommendations

13. All ongoing “Major” and “Significant” recommendations, of which there are currently 46, are detailed in **Appendix 4**. The current position of these recommendations is summarised in Table 4 below.

Table 4 – Status of Major and Significant Recommendations

	2014/15	2015/16	2016/17 to date	Total
Total Number	19	19	46	84
Total Reviewed To Date	17	19	2	38
<i>Of Which:-</i>				
<i>Total Implemented</i>	17	10	2	29
<i>Total Re-issued</i>	0	9	0	9
Total Outstanding Awaiting Review (App 2 refers)	2	0	44	46

Of the 46 recommendations in Appendix 4, 8 are not yet due for implementation. Follow-up reviews for the most of these recommendations are due to be undertaken during 2017/18.

Other Areas of Activity

14. In addition to planned Internal Audit work that requires assurance levels to be assessed, other planned work relates to those areas of work / activity that support and underpin the overall concept of Internal Control rather than individual control systems. These include proactive advice work and audits of honorary accounts.
15. During the period covered by this Activity Report, the following work in this category has been undertaken:

- **National Fraud Initiative**

The National Fraud Initiative (NFI) is an exercise run by the Cabinet Office every two years. NFI works by cross-referencing an extensive range of data from almost 1,300 organisations from across the UK. This can highlight discrepancies, for instance identifying that a person is listed as working while also receiving benefits and not declaring any income. The Internal Audit Team coordinated the submission of data from a number of internal systems within the PCC and Force, e.g. payroll and creditor data. This was submitted to Cabinet Office by the October deadline.

The data matches arising from this exercise were received in January 2017 and are in the process of being assessed and investigated. There results identified 536 recommended matches across pensions and creditors data, and 1882 matches in total.



To date 376 data matches have been investigated and concluded satisfactorily with no savings or errors identified from the investigations completed. Work will continue to investigate the matches, focusing on the recommended matches as a priority.

Progress made in investigating the matches will continue to be reported to the Committee.

- **Payroll Governance Board**

The Payroll Governance Board was established to review payroll overpayments, investigate why they occur and to proactively identify solutions, some of which may result in process changes. Internal Audit is represented on this Group to ensure any process changes proposed are sound. Three meetings of this group have been attended since the previous meeting of the Committee.

Performance

16. The performance of the Internal Audit Team is measured against a set of Key Performance Indicators. The current performance position as at 3rd March 2017 is set out in Table 5:

Table 5 – KPI Update

KPI Description	Narrative	Target	Actual
Output Indicators:			
Audit Coverage	% of Audit Plan Delivered.	90%	61%
Report Production	Completion of Draft Audit Report within 10 working days.	100%	95%
Report Production	Completion of Final Report within 5 days of agreement of the draft.	100%	96%
Audit Recommendations	Recommendations accepted v made.	100%	100%
Quality Indicators:			
Client Satisfaction	% of Post Audit Questionnaires in which management have responded as "Very Good" or "Good".	95%	96%

17. Whilst there is positive performance against most of the indicators, the Audit Plan Delivery is below target (on a pro rata basis) for this stage in the financial year. This indicator has been consistently low throughout the year, with previous reports to committee showing 28% completion in September 2016 and 41% in December 2016. Several factors have contributed to this:
- Changes in management and new approaches being implemented has resulted in an increase in non-productive time of approximately 50 days to date.
 - Recruitment to the new Principal Auditor position took longer than originally planned resulting in 45 being days lost from available resources.



- The original planned dates against some audit areas were insufficient. This, coupled with the scope for some reviews increasing as a result of a move from the standard departmental audit approach to more risk based approach, has impacted on time spent on individual audits by approximately 40 days to date.
- A significant amount of time, 199 days in total, has been spent concluding audits carried forward from 2015/16. This was excluded from the original plan agreed in March 2016. The revised plan agreed in Sept 2016 included an allocation of 80 days to conclude this work, but did not take account of actual time already spent. This consequently impacts upon 2016/17 planned work by 119 days.
- Audit recommendations from Departmental and LPU audits would usually be followed-up as part of subsequent reviews, negating the need to undertake a formal follow-up audit. As the planned Departmental / LPU audits were deleted from the audit plan in September 2016, this resulted in more follow-up audits being required, taking an additional 25 days to date.

The revised plan at September 2016 was based on revised resources of 1078 days. As a consequence of the points above, approximately 25% less resources are available to complete the 2016/17 planned audits. Those audits that cannot be commenced before year end have been considered as part of the 2017/18 planning exercise. The progress to date on planned audits is provided at Appendix 2.

18. Performance continues to be measured in regular one to one's with Auditors and resources are being prioritised to those audits considered highest priority.
19. The report production indicators are broadly on target. The quality, value and relevance of audit work are measured through Client Surveys, which are issued with the Final report. Based on responses to a total of 239 questions, the feedback rate percentage of responses at "Very Good" or "Good" is positive.







APPENDIX 1 - Audit Opinion and Recommendation Definitions

Overall Opinion

Status	Assurance Rating	Assurance Criteria
Well Controlled	The system is performing particularly well to achieve business objectives.	There is a sound framework of control operating effectively to achieve business objectives.
Controlled	The system is adequate to achieve business objectives.	The framework of control is adequate and controls are generally operating effectively.
Controlled, but needs Improvement	Some improvement is required to ensure that business objectives are met.	The control framework is adequate but a number of controls are not operating effectively.
Inadequately Controlled	Significant improvement is needed before business objectives can be met.	Adequate controls are not in place to meet all system objectives and controls are not being consistently applied.

Key and description of recommendation gradings

Grade	Status	Definition
	Major	A control issue has been identified which exposes the Force / OPCC to an unacceptably high level of material risk.
	Significant	A control issue has been identified which is likely to prevent an individual system or unit from achieving its purpose, or may give rise to a considerable vulnerability to impropriety, loss or exposure.
	Moderate	A weakness in control has been identified which may reduce the ability of a system or unit to achieve its objectives, or which may give rise to a potential for impropriety, loss or exposure.
	Low	A minor improvement to the control is needed. The risk to the individual system or unit is low, but remedial action is required by Management.



APPENDIX 2 – Revised Internal Audit Plan – Status / Assurance Summary

2016/17 Internal Audit Plan	Status at 3rd March 2017	Assurance provided	Notes
LPU / DEPARTMENT REVIEW (C/Fwd From 2015/16 Plan)			
Birmingham East	Final	Controlled	
Corporate Communications	Final	Controlled, but needs improvement	
Corporate HR	Final	Controlled	
Coventry	Final*	Controlled	
Criminal Justice Services	Final	Controlled, but needs improvement	
Executive Team	Final	Well-Controlled	
Force CID	Final*	Controlled, but needs Improvement	
Force Contact	Final	Controlled, but needs Improvement	
Intelligence	Final*	Controlled	
IT & Digital	Final	Controlled	
Learning and Development	Final	Controlled	
Office of Policing and Crime	Final*	Controlled, but needs Improvement	
Operations	Final	Controlled, but needs Improvement	
Property Services	Final	Controlled, but needs improvement	
Public Protection Unit	Final	Well-Controlled	
SYSTEMS/APPLICATIONS/CAATS			
<u>ICT Risk Based Plan:</u>			
Access and Usage of Intelligence Systems	Draft		
IT Procurement	WIP		
Information Sharing Agreements			Request to postpone as exercise underway reviewing existing agreements and changing templates and tools
Social Media Risk Management	Draft		
IT Change Control	Final	Well-Controlled	
National Fraud Initiative	Support Role	N/A	Testing of data matches underway
FUNCTIONAL AREAS (C/Fwd From 2015/16 Plan)			
Creditors	Final	Controlled, but needs Improvement	
Detained Property	Final	Controlled, but needs Improvement	
Forensic Support	Final	Well Controlled	
Major Investigation Team (Homicide Team)	Final*	Well-Controlled	
Payroll - Police, Staff and Pensions	Final*	Controlled, but needs Improvement	
Police Probationer Training	Final*	Controlled, but	



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2016/17 Internal Audit Plan	Status at 3rd March 2017	Assurance provided	Notes
		needs Improvement	
Proceeds of Crime Act	Final*	Controlled	
Procurement	Final	Controlled, but needs Improvement	
ROCU – UK PPS	Final	Controlled, but needs Improvement	
Shared Services – Overtime Policy & Processing	Final	Inadequately Controlled	
Training – Internal / External	Final	Controlled	
Treasury Management	Final*	Well-Controlled	
Value for Money - Grants	Final	Controlled, but needs Improvement	
FUNCTIONAL AREAS			
Active Citizens Fund			Request to postpone to 2017/18 when fund embedded
Anti-Fraud and Corruption	Complete	N/A - Policy review	
Assisting Offenders Unit	Final	Controlled	
Attendance Management & Management of Sickness absence	Final	Controlled	
Authorised Signatories			Implementation of new authorised signatory process delayed
BACSTEL	Final	Controlled, but needs Improvement	
Bank Reconciliation			Financial systems replacement project underway – new systems will be reviewed in 2017/18
Budgetary Controls			Audit commenced early in year but postponed due to ongoing changes – Considered as part of 2017/18 planning exercise
Building Security			Low priority - Initial enquiries identified that Information Management undertake checks on building security – Potential duplication – being explored
Business Continuity – Depts / NPU's			Corporate review of Business Continuity followed up in September 2016.
Building Maintenance	Final	Controlled, but needs Improvement	
Cash Office	WIP		
Central Secure Stores	Final	Controlled	
Civil Contingencies Act	WIP		
Community Services-Sponsorship/Building Blocks			Low priority audit
Complaints Handling	WIP		
Core Financial Systems		N/A	Advisory role
CTU - CBRN Centre			Low priority audit
CTU Covert Accounts			Previous audit March 2016. Covert accounts to be included in 2017/18 plan
CTU Overtime			Review of overtime reported in September 2016.
Debtors			Previous follow-up March 2016. Financial systems replacement



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2016/17 Internal Audit Plan	Status at 3rd March 2017	Assurance provided	Notes
			project underway – new systems will be reviewed in 2017/18
Dedicated Source Unit	Final	Controlled	
Detainees in Custody - Monies & Property			Low priority audit – Wider review of custody including healthcare contract and HMIC recommendations considered as part of 2017/18 planning exercise
Effectiveness of Confidential Reporting System	WIP		
Fleet Management	WIP		
Fuel Card Management			Follow-up undertaken May 2016. Counter fraud review considered as part of 2017/18 plan
Health & Safety	WIP		
Income Collection Generation			Low priority audit
Intelligence Management and Tasking			Planning commenced, however, much bigger area than originally planned for therefore planned time insufficient. Further changes are being made to processes therefore too soon to review. Wider review considered as part of 2017/18 planning exercise
Internal Investigations - Professional Standards	WIP		
Interpreters	Final	Controlled	
Inventory - Asset Registers	Final	Well-Controlled	
Management of Ill-Health referrals and Return to Duty			Request to postpone due to ongoing review of roles and responsibilities and merge with Psychiatric care due to close linkages
Mandatory Training – Compliance and Effectiveness			Review of training and Development reported in January 2017 which included mandatory elements.
Operation Support Unit			Low priority audit
Partnering Arrangements			Consider partnering arrangements in individual audits as part of 2017/18 planning exercise, e.g. mental health, collaboration etc.
Payroll Governance Board (Advisory)	WIP	N/A	Ongoing advisory work
Payroll - Police, Staff and Pensions			Elements of duplication in original audit plan. Follow-up review of Payroll undertaken October 2016. Review also undertaken of payroll variations and overtime payments. Full review of payroll considered as part of 2017/18 planning exercise
POCA		N/A	POCA superseded by Active Citizens Fund which has been considered as part of 2017/18 planning exercise
Police Psychiatric Services			Request to postpone due to ongoing review of roles and



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2016/17 Internal Audit Plan	Status at 3rd March 2017	Assurance provided	Notes
			responsibilities and merge with Management of Ill-Health referrals and Return to Duty due to close linkages.
Property Management Portfolio			Low priority – to be considered as part of 2017/18 planning exercise
Public Protection Unit			Previous review concluded July 2016.
Readiness of HR systems for NGES	WIP		
Force Risk Management Arrangements	WIP		
Seized Monies	Draft		
Shared Service Centre - Payroll Variations	Final	Controlled, but needs Improvement	
Spec Services Income	Final	Controlled	
Special Operations Unit (Regional Undercover Unit)	Final	Well-Controlled	
Specific Grant Funding			No requests received of specific grants that require audit sign off
TIDU (ROCU)			Audit not commenced - considered as part of 2017/18 planning exercise
Treasury Management			Previous review concluded April 2016 – Well controlled
Vehicle Utilisation			Some duplication in audit plan - Audit of Fleet Management underway. Fleet telematics has been implemented during 2016/17 which will be considered as part of 2017/18 planning exercise
Vetting Framework / Process	WIP		
WITRPO - ROCU			Previous report concluded July 2016.
<u>WMP2020 :</u>			
WMP 2020 Risk Management	Final	Controlled, but needs Improvement	
WMP 2020 Project Reviews	WIP		
WMP 2020 IIP Performance Management	Planned		
WMP 2020 Benefits Realisation			External review has been commissioned by OPCC Office
WMP 2020 Procurement	WIP		
WMP 2020 Body Worn Video	WIP		
Workforce Demographics			Request to postpone due to changes taking place in respect of roles and responsibilities within HR and the development of a new People Strategy.
Write Offs & Losses (Physical)			Low priority – to be considered as part of 2017/18 planning exercise
CONTRACTS & PROCUREMENT			
Contract Management			Audit not commenced –considered as part of 2017/18 panning exercise
HONORARY AUDITS & ADVICE			



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2016/17 Internal Audit Plan	Status at 3rd March 2017	Assurance provided	Notes
Tally Ho! Sports Club Accounts	Final	Controlled, but needs Improvement	
Superintendents Association Accounts	Complete	N/A	
Rainbow Club Accounts			No work requested
Association of Police Lawyers			No work requested
FOLLOW UPS			
Airport Policing Unit – Firearms & Armoury	Final	Controlled	
Birmingham South LPU	Final	Controlled	
Birmingham North LPU	WIP		
Business Continuity (2 nd follow up)	Final	Controlled, but needs improvement	
CMPG Department	Final	Controlled	
Coventry NPU	Final	Controlled	
CTU Department	Final	Controlled	
Detained Property	WIP		
Driver Development Unit	Final	Controlled	
Events Management	Final	Controlled, but needs improvement	
Events Management (2 nd Follow Up)	Final	Controlled	
Facilities Department	Final	Controlled	
Finance & Shared Services	Final	Controlled	
Force CID	Final	Controlled	
Fuel Card Management (15/16)	Final	Controlled	
General Stores	Final	Controlled, but needs improvement	
GRS Project	Final	Controlled, but needs improvement	
Homicide Team	Final	Well-Controlled	
Intelligence Department	WIP		
Management of Police Information (MOPI)	Final	Controlled	
National Police Air Service (NPAS) (15/16)	Final	Controlled, but needs Improvement	
National Police Air Service (NPAS) (2 nd Follow Up)	Final	Well-Controlled	
Occupational Health	Final	Controlled, but needs improvement	
OPCC	Final	Controlled	
Payroll	Final	Controlled, but needs improvement	
Police Probation	Final	Controlled, but needs improvement	
Recruitment	Final	Controlled, but needs improvement	
Special Constables	Final	Controlled, but needs improvement	
Solihull LPU	WIP		
Travel and Expenditure	Final	Controlled, but needs improvement	
VAT (2 nd Follow Up)	Final	Controlled	
Winsor Allowances (2 nd follow up)	Final	Controlled	

*audits completed in 2016/17, but were reported in the 2015/16 annual report



APPENDIX 3 – Summaries of Completed Audits

A. Functional Area reviews

A1 Procurement

The purpose of this review was to assess, review and report upon the systems in operation by which the Force manages procurement.

Overall, in respect of the areas reviewed, Internal Audit considers the area of Procurement to be “**Controlled but in need of Improvement.**” 5 Recommendations have been made to address the following issues:

- Errors were identified with contract costs recorded in the Contracts and Projects database.
- It was unclear whether evaluation spreadsheets are being checked to ensure the correct prices are being recorded.
- No detailed review mechanisms are in place to ensure compliance with standing orders.
- Standing orders are not always being complied with in terms of alternative quotes being received for non-catalogue items.
- Assurance cannot be given that spend reviews are being undertaken to ensure that both standing orders and legislative requirements, such as European tendering rules, are being complied with.

A2 Value for Money – Grants

The purpose of this review was to provide assurance as to whether arrangements for the management and administration of Victims Services Grants are effective.

Our overall opinion based on the work undertaken is **Controlled, but needs improvement.** The arrangements in place have evolved during 2015/16 and continue to develop. Whilst there are some parts of the process that require improvement, there are positive examples where monitoring has identified concerns regarding the outcomes being achieved and action is being taken to work with the relevant organisations to address these concerns. Where concerns have been identified, for some organisations, this has led to funding being withheld. 6 Recommendations have been made to address the following issues:

- Guidance was not available outlining what financial and other checks are to be undertaken on grant applications received and to identify minimum qualifying criteria for grants to be awarded. A short guide would be beneficial to promote consistency and improve resilience.
- Involving the OPCC Finance Team in the scrutiny of financial information submitted in support of grant applications and in reviewing quarterly financial monitoring returns would provide additional independence in the due diligence checks.



- The records maintained to monitor the receipt of information which supports the application and decision making process, grant payments made and receipt of timely monitoring returns etc. were not always up to date and complete. Improvements have been made for Round 3 funding.
- Round two funding was paid in one payment towards year end. Where possible, grants should be allocated earlier in the year to allow stage payments to be made, to provide better control and allow recourse in the event of unsatisfactory performance by any organisations.
- There are no arrangements in place for continued monitoring of organisations that have not completed their projects/spend by the end of the monitoring period.
- Revision of the format of monitoring returns would be beneficial to ensure that reporting occurs against key outcomes would be beneficial.

A3 BACSTEL

The purpose of the review was to provide assurance that established processes are effective in the use of the BACSTEL service for the payment of Creditor invoices and the transfer of electronic payroll files. Overall, Internal Audit considers the use of the BACSTEL service to be **controlled but in need of improvement**. 5 recommendations have been made to address the following issues identified during the review:-

- BACS transmission data sheets relating to Payroll are being authorised by a Senior Officer within the Payroll Section. Ideally, a senior officer independent of the Payroll function should authorise BACS transmissions to ensure an appropriate segregation of duty.
- One instance was identified when the BACS transmission for a Pensions Payroll with a value in excess of £10 million had been processed without being authorised.
- Creditor and Payroll transmission files were text files which can be edited prior to transmission.
- Differences were identified between the inventory records that detail permissions that could be authorised by individuals to Card Issue Forms signed by card holders. No inventory records of permissions were in existence for faster payment card holders.
- A number of issues with processing limits were identified, including confusion over what the current processing limits are or whether any minimum/ maximum levels of payments are set in to the system.
- Faster payments are not subject to the same controls as Creditor and Salary payments.

A4 Building Maintenance

The purpose of this review was to establish and evaluate the procedures in operation in regard to the maintenance of the Police and Crime Commissioners buildings. Overall, Internal Audit consider building maintenance to be **controlled, but in need of improvement**. 4 recommendations have been made to address the following issues identified during the review.



- Testing raised concerns regarding the attendance at sites being claimed by an employee of one of the building contractors, as the times stated on invoices did not reflect the times recorded in local visitor records.
- The job sheets, completed on site and forwarded by contractors along with their invoices, are not being reviewed by local staff on site to ensure that claims are accurate.
- When contractors are visiting sites they are not consistently being required to record their visit in the local visitor books.
- Surveys of works completed by contractors are currently not being undertaken as the process is being reviewed.

A5 Payroll Variations

The purpose of the review was to ascertain and evaluate the procedures in operation in regard to amendments made to payroll via the use of payroll variations. Overall, Internal Audit consider payroll variations to be **controlled, but in need of improvement**. 6 recommendations have been made to address the following issues identified during the review:-

- The ability to interrogate the Service Manager Console is very poor however, it would be greater improved if the team were to adopt a simple naming convention for the title of each task.
- Documentation to support variations can be held in various locations which can make sourcing the paperwork time consuming.
- Of 7 payroll variations reviewed relating to acting up/temporary promotion, 1 did not detail a duration. In addition, in some instances the end date of the acting up awards to staff was not being entered in the payroll system and there is currently no control within the payroll system which ensures that temporary promotions of officers are automatically ceased or reviewed.
- A number of blank entries were identified in the control records held by the team within Shared services and therefore the location and use of these missing variation forms cannot be easily identified. The majority of the records relating to the missing entries have subsequently been located.

A6 WMP2020 Risk Management

The purpose of this review was to provide assurance as to whether risk management arrangements for the WMP2020 Programme are effective in minimising the Force/OPCC exposure to risk. Overall the review concluded that the risk management arrangements are considered to be **controlled, but needs improvement**. Whilst a number of recommendations have been made that aim to improve and build on existing protocols, it should be recognised that there is a lot of good work ongoing to identify and manage risks throughout the WMP2020 Programme. 7 recommendations have been made, that focus on improving the risk management protocols in place:

- The strategy and procedures outlining the risk management arrangements are out of date and in need of refresh to reflect changes in the process and to include decision making arrangements in place for managing risk, including the various escalation routes in operation.



- Risks are reported and escalated based largely on professional judgement, without any guidelines underpinning this.
- The level of information reported to each of the relevant Project Boards and governance groups is inconsistent.
- RAG ratings vary between Governance Groups and Projects with some reporting score of 12 as a red risk and some reporting it as amber.
- The management trail from Outline Business Case, Design Authority to the master risk log couldn't always be followed.

B. Follow Up reviews

B1 Special Constabulary

An initial review of the Special Constabulary was issued in March 2016, which made 4 recommendations, of which 3 remain open. The recommendations still requiring full implementation are:

- The draft expenses and injury policy should be finalised as soon as possible. This has been delayed pending guidance from College of Policing.
- Determine if the planning approach utilised by Coventry LPU Special's Inspector can be adopted across all the LPU's and Operations Department to aid effective planning, with the intended duties entered into GRS to enable the LPU's Sergeants and Inspectors to review resource availability.
- More detail should be provided by Special Inspectors as to the reasons why Special Constables are unavailable for duty and why they are not achieving the minimum duty hours.

B2 Payroll

An initial review of Payroll was issued in April 2016, which made 8 recommendations, for which 3 remain open. The recommendations still requiring full implementation are:

- Any items appearing on the daily Bank Details Audit Report should be verified to the authorised documentation which supports the change. The report should be signed and dated to evidence that all items have been checked
- To improve the validation processes:
 - i. Daily audit reports and control reports should clearly show evidence of the entries having been checked, detailing by whom and the date.
 - ii. Starter and leaver reports produced as part of the monthly control report process are run consecutively. The Employee Reconciliation Report should also be produced and an evidenced reconciliation carried out each month for starters and leavers/numbers on the payroll.
 - iii. Daily audit reports and monthly control reports should be scanned promptly onto Paperlite and a monthly review undertaken to ensure that all dates have been scanned onto the system.
- To provide more effective and targeted reports for checking of the monthly payroll, exception reports should be developed to highlight payments against element codes which are outside of the normal expected parameters.



It was reported as part of the follow-up process that the Payroll Service Delivery Managers will implement a weekly check on the audits completed to make sure that this is evidenced on every occasion and scanned appropriately.

B3 Police Probationer Training

An initial review of Police Probationer Training was issued in April 2016, which made 1 recommendations which has yet to be completed. The recommendation still requiring full implementation is:

- Trainers should demonstrate their continued CPD through the maintenance of training records.

A process was intended to be implemented in May 2016; however, due to a number of factors the systems which were planned to be introduced were put on hold. It is anticipated they will be reviewed over the next few months and the Operational Learning Manager is to carry out imminently a review of Learning and Development as a whole and this action may form part of that review.

APPENDIX 4 – On-Going Status of Major/Significant Recommendations

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
1	25 July 2014	Energy Conservation Follow Up (2)	A strategic energy management strategy should be developed and approved at Command Team level which incorporates performance measures and targets for better energy management. Responsibility for implementing the policy across the force should be assigned to a chief/command team level officer. A process of regular reporting to the responsible officer of performance against targets should be established.	A draft strategy has been developed and implementation has been planned taking into account maternity leave considerations. The Director of Resources is the responsible chief officer and performance is reported to the Property Board on a regular basis. Update December 2016: A draft strategy is in the process of being prepared, but has been parked because of the pressures around Infrastructure Project, Central Birmingham Relocations, Walsall/Bloxwich and NUMS all taking priority. This will be picked up and progressed next month. It will then need to go through consultation mechanisms before publication etc.	31 March 2015	Awaiting Update
2	25 July 2014	Energy Conservation Follow Up (2)	A set of performance indicators should be established for energy management which can be used to determine meaningful trends and comparisons and for investigation of any disparities. Performance against targets should be reported on a regular basis to the Chief/Command Team level officer assigned responsibility for delivery of the energy strategy.	Update March 2017: This is still work in progress but the policy has been developed and updated. Awaiting some statistics to insert before it will be ready for further circulation.	31 March 2015	Awaiting Update
3	15 September 2016	Detained Property	The arrangements for out of hours access to temporary holding store and main property stores across the Force should be reviewed. In regard to the main property stores Internal Audit suggest that no out of hours access is allowed into property stores to give assurances of continuity of evidence.	Current out of hour's access guidance to holding stores will be reviewed and reissued to the Force. Out of hour's access to main property stores to be withdrawn.	August 2016	Follow Up Commenced
4	15 September 2016	Detained Property	The Force must ensure that officers manage their property effectively by responding promptly to all property reminders, including booked out reminders	Additional Detained Property guidance and FAQs detailing officers/staff responsibilities will be developed and uploaded to dedicated pages on the Force intranet as a reference point for all officers and staff. A training item referencing the above site will be included in Team Talk and Local Command Teams will be engaged with.	September 2016	Follow Up Commenced

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
5	15 September 2016	Operations	<p>The Department should ensure that management control checks are undertaken per the recommended frequency with supporting evidence should be placed in the shared drive.</p> <p>The performance spreadsheet should also record the dates checks are undertaken, a summary of any issues identified and what action is being taken to resolve the issues.</p>	<p>Work in progress – discussed at SMT to develop appropriate systems and processes to achieve the action.</p> <p>Support is being given to each department to ensure compliance. All will be fully reviewed in September 2016 as part of the QPR to ensure full and accurate compliance.</p>	September 2016	To be reviewed end of Quarter 4 2016/17
6	15 September 2016	Criminal Justice Services	<p>Regular management control checks should be undertaken in regard to the receipt and banking of income and review of flexi records with suitable evidence retained of the checks performed dates and action taken when issues are identified. Source documentation should also be signed and dated.</p>	<p>Management control checks have been introduced and checks will be maintained on a monthly basis for both income and flexi records.</p>	30 th August 2016	To be reviewed end of Quarter 4 2016/17
7	15 September 2016	Criminal Justice Services	<p>A full review of individual's flexi balances should be undertaken from April 2016 to date to ensure that the appropriate staff can claim flexi, the flexi balances are accurate, the appropriate deductions have been made and the hours credited and flexi limits are in compliance with Force policy. The use of manual clock cards should cease.</p>	<p>A review is underway.</p> <p>In light of GRS not being fit for purpose for recording flexi time a new process has already been implemented with a view to bringing a consistent approach to managing flexi time across the department. The manual clock card will be maintained until such a time as I am satisfied that clock times are being recorded accurately via the new spreadsheet/grs.</p> <p>Force policy around flexi time has already been circulated and will be enforced as part of the management control checks.</p> <p>In addition this has been taken up now with Steve Prentice as there is no link from the GRS system to any flexi systems and all Dept's have to put a system in place to account for this - a meeting has been requested to review why this is what can be done in the meantime as we are around 18 months away from any replacement system.</p>	30 th September 2016	To be reviewed end of Quarter 4 2016/17
8	15 September 2016	UK PPS (ROCU)	<p>Management control checks should be undertaken on the imprest including regular reconciliations to its authorised level, review of reclaims, accurate recording of VAT and cross-charging between regions.</p>	<p>Reports will be requested from Transactional Team Leader – Covert and Service Lead as evidence that the management control checks are being undertaken, what issues are being identified and what action has been taken to address the issues.</p>	30th September 2016	To be reviewed end of Quarter 4 2016/17

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
9	15 September 2016	Creditors	There should be a risk-based criteria in place for when independent checks on bank account details for suppliers paid through CHAPs and Faster Payments should be confirmed to ensure that bank details provided are legitimate. Such criteria should include thresholds levels and ensuring that payroll requests are checked to the individual bank details held in the payroll system.	Checks will be applied to a dip sample of suppliers paid via Faster Payments and CHAPS to ensure details provided are legitimate (this will not be completed on payments whereby the payee has provided their bank account details directly).	October 2016	To be reviewed end of Quarter 4 2016/17
10	15 September 2016	Creditors	All requests for payments, outside of the purchase order system, must be approved by two authorising signatures whether or not a purchase request form is basis of the payment. It must also be ensured that these approvers are of appropriate rank or listed on the authorised signatory database. The approval of a formal policy regarding authorised signatories would greatly aid the inconsistent approach to approving payments.	All payments made via Faster Payments/CHAPS will be authorised appropriately. The Authorised Signatories policy has now been approved.	September 2016	To be reviewed end of Quarter 4 2016/17
11	15 September 2016	Shared Services - Overtime	The authorising individual needs to be aware of and in a position to verify that the overtime hours being claimed for that day are legitimate and in addition to the claimants tour of duty	Additional guidance will be included on the intranet under Overtime. This will also be reflected in the Authorised Signatories guidance.	September 2016	To be reviewed end of Quarter 4 2016/17
12	15 September 2016	Shared Services - Overtime	Individuals inputting overtime onto Promis should ensure that it is input at the correct rate. If upon checking Promis differences are identified between rates entered to those displayed on the overtime cards then further investigations should be undertaken to identify which entry is correct with remedial action being taken if found to be necessary.	Individuals inputting overtime on to Promis will ensure that it is input at the correct rate based on the information provided on the overtime card i.e. time and a third for extended duty when the OT immediately follows a normal TOD etc. Where rates/times do not correspond these entries will be investigated further.	September 2016	To be reviewed end of Quarter 4 2016/17
13	15 September 2016	Shared Services - Overtime	Management should ensure that appropriate control checks are in place on data entered into Promis/Trent prior to the processing of the Payroll for payment.	Documentation will be retained and scanned on to SharePoint to evidence that these checks are taking place.	September 2016	To be reviewed end of Quarter 4 2016/17

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
14	15 September 2016	Shared Services - Overtime	Shared Services to inform all employees of the need for completed personal issue overtime cards to be retained in their LPU/Departments overtime folder to enable Shared Services to review records and remove the completed overtime card for retention purposes.	It is proposed that single issue WA48 cards will be implemented which will be retained centrally upon input and archived. As part of Team Talk it will be requested that any completed WA48s that officers/staff may have personally retained should be submitted to Shared Services for archiving.	September 2016	To be reviewed end of Quarter 4 2016/17
15	15 September 2016	Shared Services - Overtime	<p>The guidelines for the retention of historic overtime cards needs to be amended to provide clarity to ALL employees of the processes to follow for the archiving of completed records.</p> <p>Consideration should also be given to the Force having one central repository in operation for the storing of completed overtime cards, this would then ensure that a consistent approach was in operation and would reduce the possibility of an overtime card being lost or its location unknown</p>	<p>All overtime cards will be archived centrally by Shared Services (the RMPT, any other locations processing OT locally etc. will be requested to forward them to Shared Services) where they will be scanned and stored on SharePoint.</p> <p>The scale of historic cards held across the Force area is being scoped to identify whether these should be transferred centrally or remain locally for inclusion in the DP and Filing Project. Subsequent guidance on retention of cards will be issued on the Force intranet.</p>	September 2016	To be reviewed end of Quarter 4 2016/17
16	15 September 2016	Shared Services - Overtime	The scanning of completed overtime cards needs to commence to ensure that an accurate audit trail exists and reduce the possibility of overtime cards being misplaced.	This has commenced with all personal issue OT cards currently being scanned. They will be saved to the individual's personal payroll file on SharePoint. Operational cards will subsequently be scanned and saved by operation.	September 2016	To be reviewed end of Quarter 4 2016/17
17	30 June 2016	Business Continuity	<p>Planned Testing should be carried out in accordance with the type of testing defined within Force Policy and should incorporate a review to ensure that training is satisfactory for Officers with particular roles within the plan.</p> <p>Failure to achieve testing of all critical function plans should be reported to the Force Resilience Forum for inclusion on the Business Continuity Risk Register.</p>	<p>No budget exists for testing and the scope for the type of testing is limited due to WMP appetite not to disrupt service delivery for live testing. Individual LPU / HQ Dept SLT to determine support to type of test delivered. Staff awareness sessions will be delivered to raise understanding of BC. Force Resilience Forum to be advised of delays to testing.</p> <p>Update September 2016:</p> <p>The planned testing as per Force Policy does not occur due mainly to the restructuring within the organisation, the business continuity implications of the return to Lloyd House of several Departments and a lack of appetite to disrupt service delivery for live testing.</p>	31 July 2016	Follow Up Concluded open and on- going. To be reviewed 2017/18

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
				<p>There are however a range of testing or reviews of business continuity within the Force, including desk top reviews in conjunction with Departments and LPU's and the provision of business continuity guidance.</p> <p>The Force Policy on Business Continuity is currently being reviewed.</p> <p>A Follow Up audit review is currently being undertaken, which will incorporate this update, and it is proposed that Internal Audit should next review this area in 2017/18.</p>		
18	30 June 2016	Business Continuity	Business Continuity Plans should be drawn up to ensure resilience for critical ICT applications across the Force.	<p>Meeting held on 07/07/15 where it was identified ICT need to write Disaster Recovery Plans to ensure resilience of ICT applications. Information held by ICT not formatted into a recognised DR plan. ICT currently in process of recruiting into posts with responsibility for Disaster Recovery / ICT resilience</p> <p>Update September 2016:</p> <p>The implementation of this recommendation has been impacted by the previous officer responsible leaving the organisation.</p> <p>Internal Audit has met with the new Transition and Compliance Manager, who has initially prioritised the most business critical systems for Disaster Recovery Plans to be reviewed and tested. Plans are in place to continue reviewing the critical ICT applications.</p> <p>A Follow Up audit review is currently being undertaken, which will incorporate this update, and it is proposed that Internal Audit should next review this area in 2017/18.</p>	31 May 2016	Follow Up Concluded open and on-going. To be reviewed 2017/18



Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
19	08 December 2016	Recruitment	<p>i/ A Recruitment policy should be developed which defines roles and objectives of all parties involved the force recruitment and selection processes</p> <p>ii/ A recruitment pack should also be developed for recruiting managers to provide instruction on the correct procedures to follow and ensure that short-listing and interviewing processes are being carried out in a consistent manner across the Force and to ensure compliance with equality and diversity legislation.</p> <p>iii/ To provide assurance that Force processes are compliant with legislation, consideration should be given to the recruitment team dip sampling documentation completed by recruiting managers to support their selection and interview processes.</p>	<p>i/ Recruitment Policy/guidance to be completed.</p> <p>ii/ Upon introduction of a recruitment policy a recruitment pack will be devised as per the recommendation and will be distributed to the recruiting manager and/or provided online. This will include recommended time scales for the recruitment process.</p> <p>iii/ As part of the recruitment pack a check list will be included detailing the specific paperwork that should be completed and retained locally as well as what documents should be returned for inclusion on personal files (e.g. signed copy of ID). The recruiting manager will sign to verify that each element has been completed and will return this form to Shared Services.</p>	<p>29 February 2016</p> <p>ii) & iii) Two months following the introduction of the recruitment policy.</p>	<p>Follow Up concluded partially implemented – to be reviewed 2017/18</p>
20	08 December 2016	General Stores	<p>When write offs of significant value are considered then the Force should ensure that the Police and Crime Commissioner is formally informed of the proposal to allow the PCC to ensure that the public interest is served.</p>	<p>Garage Stores</p> <p>Statement of obsolete stock figures to be sent to PCC if over £2000.00</p> <p>Clothing Stores</p> <p>Complete white report and submit as part of end of year close down.</p>	<p>01 April 2016</p>	<p>Follow up concluded Open and On-Going. To be reviewed April 2017</p>
21	08 December 2016	Tally Ho! Sports & Social Club	<p>Adequate documentation should be held on file to support all payments made by the club, this includes having supporting documentation for expenses and ensuring that the expenses policy is adhered to.</p>	<ul style="list-style-type: none"> • Business Manager to implement updated policy for all sports expenses. • Expense policy to be communicated to all sports representatives and supporting documentation will be required for all expenses. <p>If supporting documentation is not provided, or correct forms not used; expenses will not be paid.</p>	<p>21 October 2016</p>	<p>Quarter 2 2017/18</p>

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
22	08 December 2016	Tally Ho! Sports & Social Club	Management should explore the further use of the accounting package for the processing of payments to suppliers and the maintenance of a supplier master file, this could be achieved through further training of finance staff. The bank details accompanying payment requests being authorised for processing by BACS should be further scrutinised to give assurances that the payment is legitimate.	Both Richard (Business Manager) and Angela Wyatt (Administrator) have received minimal training on Sage Accounts. <ul style="list-style-type: none"> Recommendation for Richard to organise suitable Sage Accounts training that suits the needs of both employees. On completion of relevant training, a system will be introduced by the Business Manager to set up supplier master files. 	Training to be organised by 01.11.16 Systems in place by 01.01.17	Quarter 2 2017/18
23	30 March 2017	WMP2020 – Risk Management	Both the risk management procedures and the approach to risk management document for the WMP2020 should be refreshed to reflect the current risk management arrangements operating, ensuring they are aligned to the corporate risk management arrangements in place. The strategy and supporting procedures should clearly outline scoring mechanisms, escalation routes and reporting lines for decision making purposes in relation to risk. This should include reporting requirements through Project, PORF, OCB, ORMB etc.	<ul style="list-style-type: none"> Update procedure and strategy documents, ensuring changes tracked. Review to be documented within version control section of each document. Overview of document by the Corporate Risk Manager, PMO Manager and Head of change. Sign off through OCB Awareness session with PGM's and PM's to go through significant changes and refresh on escalation routes. 	By end of Dec 2016 By end of Jan 2017 for Jan OCB By end of Q1 2017	To be reviewed during 2017/18
24	30 March 2017	WMP2020 – Risk Management	Ensure a clear management trail is maintained from Original Business case through to the master risk log to ensure all risks are captured and reported where necessary.	<ul style="list-style-type: none"> Communication to all PMs and programme managers re: transfer of risk from OBC to risk log. Introduce a 'no longer relevant' category with notes annotated as to why NB Communication to go out to team with summary slide of findings and key mitigations Follow up with an assurance audit, carried out by risk manager and overseen by PM Manager. Use awareness session to further brief PMs accordingly 	By end of Dec 2016 By end of Dec 2016 By end of Q1 2017 By end of Q1 2017	To be reviewed during 2017/18

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
25	30 March 2017	WMP2020 – Risk Management	<p>Ensure RAG ratings to be used are consistent, with the rating used being included in any guidance produced. All project Managers should be made aware of what the current requirements are for RAG ratings.</p> <p>All reported risks should reflect the pre and post exposure scores recorded within the master risk log.</p>	<ul style="list-style-type: none"> Issue refreshed guidance, with examples, for RAG criteria DIP sample of risk log to test awareness of mitigating action 	<p>By end of Dec 2016</p> <p>By end of Q1 2016</p>	To be reviewed during 2017/18
26	30 March 2017	Procurement	<p>Evidence needs to be maintained of the tenders being reviewed by the Client and the prices entered by the Category Advisor agreed to the evaluation template by Management to ensure that the most appropriate tender was accepted or if not reasons for another tender being selected are clearly documented.</p> <p>Supporting information should be readily available to confirm the figures used when selecting which tenderer to award the contract to.</p>	<p>Whilst it is felt that this action already occurs in the majority of instances and it standard practice for the Department (Contracts and Procurement), it is acknowledged that the Audit found that this isn't always the case.</p> <p>On this basis, further reminders / training shall be given to the Department to reinforce this. Thereafter, it is suggested that further checks are made by Audit to confirm that this approach is now consistent across all formal procurement activity.</p>	End January 2017	To be reviewed during 2017/18
27	30 March 2017	Procurement	<p>iProcurement need to ensure that Standing Orders are being complied with in terms of the number of quotations received. The level of checking undertaken needs to be improved to ensure that the correct number of quotes have been received in line with Standing Orders and are attached in iProcurement in line with iProcurement guidelines.</p>	<p>The level of checking undertaken will be significantly increased to ensure that the correct number of quotes, or justification for no quotes being sought, have been received (and are attached in i-Proc) in line with Standing Orders and i-Proc guidelines.</p>	End of December 16	To be reviewed during 2017/18
28	30 March 2017	Procurement	<p>Increased monitoring of spend with individual suppliers needs to be undertaken to ensure that both standing orders and legislative requirements such as those required for European Tendering are being complied with and to identify if contracts arrangements need to be introduced or pre-existing arrangements amended.</p> <p>The omission of contracts for Viglen Ltd and CLSH Management should be investigated and contracts</p>	<p>Meaningful MI from the order system will be able to be produced when Oracle Fusion is launched however in the interim period value and supplier information for non-cat orders will be extracted from the system and analysed on a quarterly basis to identify if contract arrangements need to be amended/implemented. Where this is identified the detail will be fed into Contracts and Procurement to complete the required amendments or implement new contracts. This will ensure that standing orders and legislative requirements are met.</p>	End of February 17	To be reviewed during 2017/18



Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
			established, if not already in place.			
29	30 June 2016	Payroll	Any items appearing on the daily Bank Details Audit Report should be verified to the authorised documentation which supports the change. The report should be signed and dated to evidence that all items have been checked	Implemented Payroll Staff informed to action.	28 February 2016	To be reviewed during 2017/18
30	30 June 2016	Payroll	<p>i) Daily audit reports should clearly show evidence of the entries having been checked, and by whom The checking officer(s) should also date the report as evidence of when checks have been undertaken. Similarly all checks on control reports should be evidenced in the same way.</p> <p>ii) It should be ensured that the starter and leaver reports produced as part of the monthly control report process are run consecutively to ensure that they provide an effective control of any new additions or leavers from the payroll. The Employee Reconciliation Report should be produced and an evidenced reconciliation carried out each month for starters and leavers/numbers on the payroll.</p> <p>iii) All daily audit reports and monthly control reports should be scanned promptly onto Paperlite and a monthly review undertaken to ensure that all dates have been scanned onto the system.</p>	<p>i) Payroll Staff have been informed. Business Objects update was due 31st March but still outstanding due to technical issues. However, new report format when update completed, will improve identification of payroll changes.</p> <p>ii) Restrictions of iTrent only allow report to run 1-30th of month. Employee Reconciliation report will be produced and reconciled monthly.</p> <p>iii) Comprehensive scanning and review and agreement of file naming protocol to be undertaken to ensure traceability of information.</p>	<p>28 February 2016 / 30 June 2016 (for New Report format)</p> <p>31 May 2016</p> <p>30 June 2016</p>	To be reviewed during 2017/18
31	30 June 2016	Payroll	To provide more effective and targeted reports for checking of the monthly payroll, exception reports should be developed to highlight payments against element codes which are outside of the normal expected parameters.	Review of availability and effectiveness of reports to be exported from iTrent for payroll monitoring	30 June 2016	To be reviewed during 2017/18

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
32	30 March 2017	Building Maintenance	The Buildings Works Manager should establish and review the jobs attended by the contractor identified by Internal Audit and address any issues with Trios.	Issue raised with Trios and response given officially by email enclosed.	23/01/17	To be reviewed during 2017/18
33	30 March 2017	Building Maintenance	All staff requesting jobs should be made aware of the need to confirm attendance times on job sheets and sign the job sheets accordingly.	Staff on site will be requested to sign job sheets by contractors, promotion through the Security group and Corporate Communications.	23/01/17	To be reviewed during 2017/18
34	30 March 2017	Building Maintenance	Staff must ensure that all contractors sign in and out of police buildings whilst attending sites.	Control of Contractors and Visitors Policy identity's access process for all, promotion through the Security group and Corporate Communications	23/01/17	To be reviewed during 2017/18
35	30 March 2017	Forensic Services	There should be a review of the exhibits store to ensure that all items are in the location specified in Socrates and continuity of the items should be ensured.	The exhibits stored has now been cleared and new locations set up on Socrates to assist with identifying what is in there with the movements updated when they are sent out. All of this is part of our UKAS work and the ISO audits are on the schedule so will assist with identifying any issues with either the movements or incorrect storage of exhibits.	Completed	To be reviewed during 2017/18
36	30 March 2017	Victim Services Grants	To ensure consistency and transparency in grant allocation process, a brief guidance note should be developed which documents: i) the minimum criteria organisations applying for funding should meet, including financial criteria. ii) the process to be followed in the evaluation of applications and awarding of grants to demonstrate fair and consistent evaluation of all applications received for victims and RJ funds. iii) the requirement that funds are not released to grant recipients until all due diligence documentation has been received and reviewed by the Policy Officer and CFO. iv) a requirement for the control record that records receipt of applications to be regularly maintained and updated, to	i) Guidance note to be developed setting out the minimum criteria that organisations need to meet when applying for funding. ii) Evaluation process to be set out formally iii) Due diligence checks to be undertaken and reviewed by the Policy Officer and Accountant from the Finance Team. iv) Control record template has been updated to include all information and is updated as needed.	March 2017	To be reviewed during 2017/18

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
			reflect the current status of each application.			
37	30 March 2017	Victim Services Grants	Awarding of grants should be undertaken in a timely manner to allow funding to be distributed in a staged process, which is dependent upon satisfactory progress in delivery of the commissioned services being demonstrated.	Victims Fund 2017/18 round 4 will be launched in April 2017 to enable funding to be distributed in a timely manner.	April 2017	To be reviewed during 2017/18
38	30 March 2017	Victim Services Grants	To improve resilience and transparency in monitoring returns, brief guidance should be drawn up which defines: <ul style="list-style-type: none"> i) the frequency and type of monitoring information required, ii) a proportionate approach being applied based on the value of grant and/or the level of risk associated with the organisation making the application. iii) the processes to be followed and escalation procedures in the event of concerns around receipt of monitoring information and/or delivery of services. iv) Financial overview of returns by the OPCC Finance team, including undertaking some sample checking of documentation held by organisations in support of their grant spend, should also be considered as part of the monitoring process. 	This information is all contained in the Conditions of Grant which needs to be signed and returned before and funding is paid out. The information will be put into guidance detailing the areas raised. It will incorporate the addition of the finance team into the process.	March 2017	To be reviewed during 2017/18
39	30 March 2017	Victim Services Grants	Discussion should take place with the RASSO Consortium members to ascertain whether the underspend situation is likely to continue and consideration given to whether funds need to be recovered and/or re-allocated.	The RASSO Consortium as a body is not underspent, it was one of the four organisations for which it was an issue and it was down to recruitment problems. That issue has now been resolved. Funds do not need to be recovered as delivery is taking place.	Resolved	To be reviewed during 2017/18

Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
40	30 March 2017	BACSTEL	All of the BACS transmission data sheets relating to Payroll should be authorised by a Senior Officer independent of the Payroll Section.	All BACs transmission data sheets relating to Payroll will be authorised by a senior officer independent of the Payroll section.	Feb '17	To be reviewed during 2017/18
41	30 March 2017	BACSTEL	Shared Services in conjunction with IT & Digital must explore the possibility of making Creditor and Payroll output files read only files to reduce the risk of files being able to be modified prior to transmission.	Shared Services with the support of IT&D will explore the possibility of making the output files read only.	April '17	To be reviewed during 2017/18
42	30 March 2017	Pay Variations	It must be ensured that all supporting paperwork, which contains the approval of local management for any variation to pay, is readily available on individual's electronic personal file. Prior to the payroll variation being authorised by Shared Services, all the paperwork should be scanned onto the individual electronic personal file. The individual authorising the amendment must then check the details recorded on the payroll variation to the electronic personal file and ensure that the variation is fully supported by the appropriate documentation.	All supporting paperwork will be saved to the individual's personal file (this includes group submissions e.g. emails and spreadsheets submitted to During Employment) There is a concern with regards to the scanning of the PV prior to it being authorised as amendments could be made after it has been scanned therefore the fully authorised PV will be scanned to the personal file and an additional supervisor check will be implemented to ensure that all paperwork has been scanned to the file.	February '17	To be reviewed during 2017/18
43	30 March 2017	Pay Variations	It should be ensured that payroll do not process any payroll variation for acting up awards without the duration of the award being recorded on the payroll variation form. If they receive such a form it should reject and sent back to the appropriate transaction team. It must be ensured that the payroll team enter a termination date for all acting up awards in the payroll system to avoid the on-going risk of overpayment.	End dates must be identified for all PVs if the requested change is not permanent e.g. acting, temporary promotions etc. to prevent overpayments from occurring – if no end date can be identified then a review date should be scheduled for the payment to be confirmed and continued. Payroll will enter end dates for all non-permanent pay changes.	February '17	To be reviewed during 2017/18



Ref	Original Report/ Follow Up Report to JAC	Audit	Recommendation	Action to be Taken to Implement Recommendation	Planned Implementat ion Date	Current Status
44	30 March 2017	Pay Variations	A control within payroll needs to be implemented to identify when all temporary promotions of officers are to be terminated or reviewed for extension.	As per R3 – end dates will be entered for all non-permanent pay changes. It is not possible to identify temporarily promoted officers within the Payroll system however a reconciliation will be completed between Oracle and i-Trent to identify rank disparities to minimise the risk of overpayment in conjunction with end dates being specified.	March '17	To be reviewed during 2017/18
45	30 March 2017	Pay Variations	<p>It must be ensured that the pay variation control records held by Teams 1 and 4 are fully completed and individuals authorising variations must check the control record to ensure its accuracy prior to approving a payroll variation. Any void variations should also be signed off by team leaders who must again check the pay variation to the control record.</p> <p>Should payroll receive a variation which is not recorded on the control record then it should be returned to the relevant team and must not be processed.</p>	Recommendation implemented	Completed	To be reviewed during 2017/18
46	30 March 2017	Attendance Management	During the implementation of any new rostering system business rules must be established which will ensure abstractions listed during sick period are removed and replaced with sick leave to give an accurate record of sick days lost	This requirement will be included in the business rules drafted for the new rostering system.	New rostering system estimated implementation date – March 2018	To be reviewed during 2017/18