



The Police, Fire and Crime Commissioner for Staffordshire and the Chief Constable of Staffordshire

Internal Audit Progress Report

10 February 2021

Item 5 (i)

This report is solely for the use of the persons to whom it is addressed.
To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no
responsibility or liability in respect of this report to any other party.



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1 Introduction

The internal audit plan for 2020/21 was approved by the Ethics, Transparency & Audit Panel on 5 February 2020.



Fieldwork dates have been agreed with management for the internal audits scheduled for 2020/21. Planning meetings have been held and assignment planning sheets issued for the audits planned for the remaining plan.



Regular catch up meetings have been held between RSM and management in order to provide updates in relation to changes within the organisation, impact to operations and audit from the Pandemic, and also to discuss sector wide issues that may have an impact on the internal audit plan.



Two reports have been issued in final format since the last meeting, Data Migration and Fleet Utilisation Follow Up, details of which are provided in Section 2 below.

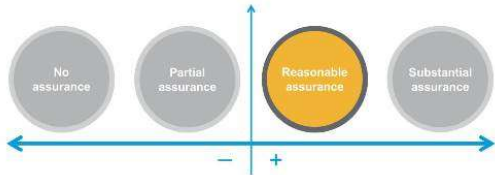


We have shared with management a number of briefings which are outlined in Appendix B below.

2 Reports

2.1 Summary of final reports being presented to this committee

This section summarises the reports that have been finalised since the last meeting. We have finalised two reports since the previous meeting and these are detailed below:

Assignment	Opinion issued	Actions agreed		
		L	M	H
Data Migration – Phase One (5.20/21) Whilst the Force has arrangements in place to ensure that there are escalation routes for any issues with the implementation of Niche, there are occasions where the demonstration of an effective audit trail to evidence decisions or considerations is not available. Going forwards, the Force should formalise existing reporting mechanisms and ensure that challenge and scrutiny is appropriately and consistently evidenced. This should be considered as part of the Niche 2 project due to follow on from Niche 1 as the project has since been closed.	Reasonable Assurance 	0	3	0
Fleet Utilisation – Follow Up We have undertaken a review to follow up on progress made to implement the previously agreed management actions from the Fleet Utilisation (4.19/20) review. The objective of the original review was to identify whether there was an effective system of fleet management in place to ensure the right resources are available at the right time and that value for money can be demonstrated. The outcome of the review consisted of two 'High', seven 'Medium' and three 'Low' priority management actions. In our opinion Staffordshire Police, Fire & Crime Commissioner and Chief Constable of Staffordshire has demonstrated reasonable progress in implementing agreed management actions.	Reasonable Progress	2	2	0

Appendix A – Progress against the internal audit plan 2020/2021

The current Covid-19 situation means that our clients and internal audit are working differently. We understand and recognise the organisations' strategic / primary objectives, and that the developments around Covid-19 will continue to impact on all areas of the organisations' risk profile. We will work closely with management to deliver an internal audit programme which remains flexible and agile to ensure it meets your needs in the current circumstances.

Assignment	Status / Opinion issued	Actions agreed			Target ETAP per IA plan (revised)	Actual ETAP
		L	M	H		
Governance & Risk Management	Final issued – Substantial Assurance	0	0	0	December 2020 (now October 2020)	October 2020
Collaboration Governance and Savings (Refer to comments at Appendix B)	Advisory – Position Statement	3 advisory actions agreed (not categorised)			October 2020	October 2020
Asset Management	Final issued - Advisory	7	11	2	October 2020 (will now be December 2020)	December 2020
Key Finance Controls	Final issued – Substantial Assurance	0	1	0	February 2021 (will now be December 2020)	December 2020
Data Migration	Final issued – Reasonable Assurance	0	3	0	October 2020 (will now be February 2021)	February 2021



Assignment	Status / Opinion issued	Actions agreed			Target ETAP per IA plan (revised)	Actual ETAP
		L	M	H		
Fleet Utilisation – Follow Up	Final issued – Reasonable Progress	2	2	0	December 2020 (will now be February 2021)	February 2021
Finance Systems	Scope being developed – Advisory				July 2020 (will now be April 2021)	
Payroll	Draft report issued				July 2020 (will now be April 2021)	
Estates	Allocation to be included in 2021/22 IA programme					
Follow Up of Previous Internal Audit Actions	Scope to be issued in due course				April 2021	
Property Store	See note below at Appendix B				-	-
Corporate Planning – Project Management	See note below at Appendix B					

Appendix B – Other matters

Changes to the audit plan

Our approach to working with you is to respond to your changing assurance needs. By employing an 'agile' or a 'flexible' approach to our service delivery, we are able to change the focus of audits / audit delivery. As a result, some changes to the timing of the audit coverage have been made (as included at Appendix A) and included below are the changes to the audit plan:

Note	Auditable area	Reason for change
1	Property Store	In discussion with Management it was established that it would be more advantageous to include an audit allocation of the Property Store within the internal audit programme for 2021/22. The Property Store is moving to Watling Street and incorporates a new build, new location and therefore new and different risks will apply. The allocation has been used to complete the Collaboration, Governance and Savings audit.
2	Corporate Planning – Project Management	A separate report will not be issued, instead we have considered the project management arrangements within both the Asset Management and Data Migration audits.
3	Contingency	Part of this allocation will be used to complete the NFI work/matching. The remaining allocation is to be utilised to part fund an advisory Finance system review and an assurance audit considering the contract novation period with Boeing.

Annual Opinion 2020/21

The ETAP should note that the assurances given in our audit assignments are included within our Annual Assurance report. In particular, the ETAP 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 finalised six reports to date, four of these were assurance reviews and one an advisory review which didn't identify any significant weaknesses being identified. The Asset Management did identify a number of weaknesses that will impact, but will not qualify the year end opinions. We will provide further updates throughout the year.



Quality assurance and continual improvement

To ensure that RSM remains compliant with the IIA standards and the financial services recommendations for Internal Audit we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams.

The Quality Assurance Team is made up of; the Head of the Quality Assurance Department (FCA qualified) and an Associate Director (FCCA qualified), with support from other team members across the department. This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

Post assignment surveys

We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you. Currently, following the completion of each product we deliver we attach a brief survey for the client lead to complete. The results of these surveys will be shared at each ETAP.

Updates and briefings

We have provided the following information and briefings to management and members since the last meeting:

- Emergency Service News Briefing – December 2020

Appendix C - Key performance indicators (KPIs)

Delivery			Quality		
	Target	Actual		Target	Actual
Draft reports issued within 10 days of debrief meeting	10 days	6 days (average)	Conformance with PSIAS and IIA Standards	Yes	Yes
			Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit	Yes	As and when required
Final report issued within 3 days of management response	3 days	1 day (average)	Response time for all general enquiries for assistance	2 working days	2 working days (average)
			Response for emergencies and potential fraud	1 working day	-



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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of **The Police, Fire and Crime Commissioner for Staffordshire and the Chief Constable of Staffordshire** and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

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