PUBLIC   **AGENDA ITEM NUMBER**

JOINT INDEPENDENT AUDIT COMMITTEE

15 June 2015

REPORT OF HEAD OF AUDIT

INTERNAL AUDIT PROGRESS REPORT

1.   PURPOSE OF REPORT

1.1   The report sets out the progress made to date in achieving the Audit Plan for 2014/15 and also the Audit Plan for 2015/16.

2.   KEY INFORMATION

2.1   This Progress Report monitors delivery of shared Internal Audit services. The service is shared with West Yorkshire Police and Commissioner's Office and Humberside Police and Commissioner's Office.

2.2   The Audit Plan are set out in Appendices A and B. Table 1 summarises the progress against the plan.

<div align="center">Table 1: Summary of Progress</div>

STATUS OF AUDITS	May 2015	
	2014/15 Plan	2015/16 Plan
Final Reports with Response Received	9	0
Final Reports – Response awaited	0	0
Final Reports – No Response Required	0	0
Draft Report Stage	4	0
Work Completed	3	0
Audits in Progress	0	3
TOTAL	**16**	**3**

2.3   Three audits have been finalised and responded to since the last Committee: Financial Systems Assurance, Commissioning and Administration of the Commissioner's Office. These reports are included, in full, in Appendix C.

2.4   The following draft reports have been issued: Follow Up Audit, Second Six Months; Organisational Fraud Risk Assessment; Victim Care and the Appropriate Use of Places of Safety. The finalisation of these reports will mark the completion of the 2014/15 audit plan.

2.5   Progress has begun on the 2015/16 half year plan.

4   RECOMMENDATIONS

4.1   That members monitor the progress made and note the Internal Audit Plan.

Neil Rickwood
Head of Audit

Supporting documentation
Appendix A - Internal Audit Plan 2014/15
Appendix B –Internal Audit Plan 2015/16
Appendix C – Internal Audit Reports

Appendix A: Internal Audit Plan 2014/15

Audit Status	Audit Rating	Audit Name	Description
Added to 15/16 plan	-	Decision Making Processes	To consider the decision making process for both the Organisation the Commissioner and NYP. How it ensures that decisions are made on timely basis with sufficient information.
Final Report, with Management Responses	2	Financial Systems Assurance	Undertake financial systems testing of transactions relating to 2013/14, of those systems that have not been subject to evaluation during the year.
Final Report, with Management Responses	2	Chief Officer Pay	To confirm that appropriate file management arrangements are in place and all elements of chief officer pay are appropriately documented.
Work Completed	-	Annual Governance Statement Support	To assist the Head of Risk and Assurance in putting together the Annual Governance Statement for 2013/14. This would involve research into the practice of the wider public sector, in particular how the public are engaged and communication barriers are overcome.
Final Report, with Management Responses	1	Cash Advances	To review the process for the allocation and accounting for cash advances for travel and subsistence.
Work Completed	-	Follow Up Audit, First Six Months	To follow up recommendations, reported as being implemented, and provide assurance that they have been implemented.
Final Report, with Management Responses	2	Payroll	To undertake a risk based review of the payroll system from new starter to leaver as well as permanent and temporary changes to pay.
Final Report, with Management Responses	1	Commissioning	To continue to provide support to the Commissioners Office around proportionate controls for commissioning.
Final Report, with Management Responses	1	Risk Management Review	To review the Organisations risk management arrangements and practice.
Work Completed	-	Expenses Claim Simplification	To assist NYP as they work through the risks and controls associated with the implementation of a self-service system for expenses claims, in order to develop alternatives which can achieve adequate control at a lower administrative cost.
Final Report, with Management Responses	2	Administration of the Commissioners Office	To consider the compliance with Organisational administrative procedures of the Office of the Commissioner. This would include: HR, Payroll, Vetting, IT Support, Data Sharing and Procurement procedures.
Final Report, with Management Responses	2	Special Services Charging -Income	To consider whether NYP makes the most of its opportunities to charge for special services and whether its methodology for doing so maximises income. This will be accomplished by

Audit Status	Audit Rating	Audit Name	Description
		Generation	making comparisons with the practice of other police forces.
Final Report, with Management Responses	2	Stage II Transfer	To review the approach taken to prioritising, developing and revising policies as part of the Stage II Transfer process.
Draft Report	-	Follow Up Audit, Second Six Months	To follow up recommendations, reported as being implemented, and provide assurance that they have been implemented.
Removed: HMIC scrutiny of this area.	-	Data Recording Standards	To review the action plans in place to address this strategic risk and consider evidence that the risk is being satisfactorily managed. This risk appears on the risk register directly(5400) a review of it would also be relevant to the strategic risk regarding inadequate recording of warning signals (reference 5810)
Draft Report	-	Organisational Fraud Risk Assessment	To assess the Organisations controls to deter, detect and prevent fraud in respect of the chief risks of fraud that it faces. The audit would bring together information from across the Organisation about the risk of fraud and determine the organisations vulnerability. The audit would offer an opinion whether the Organisation is over controlling its risk or whether there are important gaps.
Draft Report	2	Victim Care	Compliance with the Victims Code. The audit would review how victims are kept informed by North Yorkshire Police. Supporting the achievement of the Policing Plan to put the best support possible in place for victims, the audit would consider the role of the Force's response to the Victims Code.
Draft Report	3	Appropriate Use of Place of Safety	S.136 of the Mental Health Act allows a constable to remove a mentally disordered person from a public place to a place of safety. Rather than use a custody suite the NHS has recently established other places of safety that NYP can use. With places of safety in place in Scarborough and York, the review would look at how these are being used by Custody and whether this risk is being managed as planned (risk register reference 5510)
Added to 15/16 plan	-	Exhibit Handling	Attendance at the Exhibits Steering Group in order to contribute towards the review of exhibits handling procedures in NYP.
Added to 15/16 plan	-	Local Mobile Phone Investigation	To consider the investigation of mobile phones and determine whether local practice manages the risks associated with the proper retrieval and safe storage of retrieved information.

Appendix B: Internal Audit Plan 2015/16

Audit Status	Audit Rating	Audit Name	Description
In Progress		Decision Making Processes	To consider the decision making process for both the Organisation the Commissioner and NYP. How it ensures that decisions are made on a timely basis with sufficient information. Feedback/ advice on proposal already provided but main review now delayed until November 2016 as processes are currently being rolled out.
		Financial Systems Testing	To cover key financial systems not already covered and transactions covering, Oct 2014 to Sept 2015.
In Progress		Mobile Phone Examination	To consider the investigation of mobile phones and determine whether local practice manages the risks associated with the proper retrieval and safe storage of retrieved information.
In Progress		Clothing Store	Review the processes for managing the Organisation's Clothing Store.
		Delegated Authority - Procurement	Review the changes in the delegated authority levels designed to minimise bureaucracy and to empower people.
		Follow Up	To follow up recommendations, reported as being implemented, and provide assurance that they have.
		Exhibits Handling	Review compliance with controls in place for the handling of exhibits across the Force. Based on perceived weaknesses identified in handling cash in particular, there is a need to give assurance that new arrangements address the risks in this area. (To comm3ence in July).
		Information Security	To undertake a high level assessment as to how the organisation addresses information security risk, including determining how well the requirements of information security are understood throughout the organisation.