



THE POLICE AND CRIME COMMISSIONER FOR NORTH YORKSHIRE AND THE CHIEF CONSTABLE OF NORTH YORKSHIRE

Follow Up of Previous Internal Audit Recommendations - Visit 1 2017/18

FINAL

Internal Audit Follow Up Report: 4.17/18

10 November 2017

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Last meeting held	5 October 2017	Internal audit team	Daniel Harris, Head of Internal Audit
Draft report issued	11 October 2017		Angela Ward, Client Manager
Revised draft issued	6 November 2017		Philip Church, Client Manager
Responses received	10 November 2017		Dulcie Hakin, Internal Auditor
Final report issued	10 November 2017	Client sponsor	Interim Chief Executive Officer
			Deputy Chief Constable
			Service Review Manager
		Distribution	Interim Chief Executive Officer
			Deputy Chief Constable
			Service Review Manager

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1 EXECUTIVE SUMMARY

1.1 Introduction

We have undertaken a follow up audit of all recommendations that were categorised as either fundamental, significant, high or medium and which had been closed by the relevant action manager on the Action Risk Management (ARM) system between January to July 2017. The audits considered as part of the follow up review were:

- Data Quality (Including Governance)
- IT Network Security and Disaster Recovery
- Follow Up – Niche Exhibits
- Governance - Structure, Reporting, Challenge and Decision Making
- Follow Up of Previous Internal Audit Recommendations – (Administration of the OPCC)
- Management of Police Information (MoPI): MMI Project
- Annual Petty Cash Check
- Collaborations
- HR Training

The 15 management actions considered in this review comprised of four high, two significant and nine medium actions. The focus of this review was to provide assurance that all actions previously made have been adequately implemented.

1.2 Conclusion

Taking account of the issues identified in the remainder of the report and in line with our definitions set out in Appendix A, in our opinion **The Police and Crime Commissioner for North Yorkshire and the Chief Constable of North Yorkshire** has demonstrated **good progress** in implementing agreed management actions.

We have reiterated new management actions where appropriate; further details are in section two of this report.

1.3 Action tracking

Action tracking enhances an organisation's risk management and governance processes. It provides management with a method to record the implementation status of actions made by assurance providers, whilst allowing the Audit Committee to monitor actions taken by management.

Action tracking is undertaken at the Police and Crime Commissioner for North Yorkshire and the Chief Constable of North Yorkshire and reported to the Joint Independent Audit Committee (JIAC). Management actions are reported by exception to JIAC when they have not been completed by their implementation date.

We confirmed the actions closed on ARM, that we followed up in this review, were not any of those reported to JIAC by exception as incomplete. However, our review found that one of these closed actions was actually ongoing, and should not have been closed on ARM.

1.4 Progress on actions

Implementation status by review	Number of actions agreed	Status of management actions				
		Implemented (1)	Implementation ongoing (2)	Not implemented (3)	Superseded (4)	Completed or no longer necessary (1)+(4)
Data Quality	3	3	0	0	0	3
IT Security and Disaster Recovery	2	2	0	0	0	2
Follow Up – Niche Exhibits	1	0	1	0	0	0
Governance	1	1	0	0	0	1
Administration of the OPCC	1	1	0	0	0	1
Management of Police Information	1	1	0	0	0	1
Annual Petty Cash Check	1	1	0	0	0	1
Collaborations	3	2	0	0	1	3
HR Training	2	1	0	0	1	2
Totals	15 (100%)	12 (80%)	1 (7%)	0 (0%)	2 (13%)	14 (93%)

Implementation status by management action priority	Number of actions agreed	Status of management actions				
		Implemented (1)	Implementation ongoing (2)	Not implemented (3)	Superseded (4)	Completed or no longer necessary (1)+(4)
High	4	4	0	0	0	4
Significant	2	2	0	0	0	2
Medium	9	6	1	0	2	8
Totals	15 (100%)	12 (80%)	1 (7%)	0 (0%)	2 (13%)	14 (93%)

2 FINDINGS AND MANAGEMENT ACTIONS

This report has been prepared by exception. Therefore, we have included only those actions graded as 2 and 3. Each action followed up has been categorised in line with the following:

Status	Detail
1	The entire action has been fully implemented.
2	The action has been partly though not yet fully implemented.
3	The action has not been implemented.
4	The action has been superseded and is no longer applicable.
5	The action is not yet due.

Ref	Management action	Audit findings	Current status	Updated management actions				
Audit: Follow Up – Niche Exhibits								
1	<p>Officers will be reminded that it is their responsibility to appropriately check items in and out of stores, where an item is first returned to a temporary store, officers will be reminded to log this location if the EMSO is not present.</p> <p>Reminders will be issued via briefings and poster campaign.</p> <p>EMSOs will be reminded that they must ensure they always require officers to verify that they have removed and subsequently returned an item to the store by requiring them to complete the ok/ sign process on Niche.</p> <p>Supportive action in place for EMSO at York with specific additional training needs.</p>	<p>We confirmed that both the EMSO's responsibility to ensure officers complete the ok/sign process on Niche and officers' responsibility to check items in and out of stores on Niche when the EMSO is not present was reiterated to all locations via an organisational learning bulletin.</p> <p>Discussions with staff found that where that had been issues with EMSO not complying with the ok/sign process on Niche, these had been addressed through the bulletins and training. Any further issues would be picked up in monthly audits.</p> <p>Discussions with staff involved in carrying out monthly audits of the ok/sign process on Niche found that although audits were carried out for York and Scarborough sites, they were not being carried out as often for other sites such as Harrogate.</p>	2	<p>Management Action partially re-iterated:</p> <p>Weekly checks will be carried out on the temporary property stores to identify any items that have been removed but not checked out on the system by the officer. If this has occurred then the EMSO will check out to the officer requesting confirmation that they have the property in their possession.(Checks will be conducted via comparing the Niche property location against the physical store).</p> <p>Responsible owner: Service Improvement Manager</p> <p>Priority: Medium</p>				
		<table border="1"> <thead> <tr> <th>Risk Exposure</th> <th>Root causes</th> </tr> </thead> <tbody> <tr> <td>Items of property that are checked out of permanent property stores</td> <td>OSOs are not always ensuring that the ok/sign process is completed prior to an officer</td> </tr> </tbody> </table>	Risk Exposure	Root causes	Items of property that are checked out of permanent property stores	OSOs are not always ensuring that the ok/sign process is completed prior to an officer		
Risk Exposure	Root causes							
Items of property that are checked out of permanent property stores	OSOs are not always ensuring that the ok/sign process is completed prior to an officer							

Monthly audits will continue to be reviewed to monitor successful completion of this action.

may not be appropriately accounted for.

removing an item from the store.

Niche does not always hold an up to date log of an exhibits location.

Implementation date: 31st May 2018

Probability	Financial	Reputational	Operational	Legal	Rating
Unlikely	Significant	Significant	Negligible	Significant	5:10

APPENDIX A: DEFINITIONS FOR PROGRESS MADE

The following opinions are given on the progress made in implementing actions. This opinion relates solely to the implementation of those actions followed up and does not reflect an opinion on the entire control environment

Progress in implementing actions	Overall number of actions fully implemented	Consideration of high actions	Consideration of medium actions	Consideration of low actions
Good	> 75 percent	None outstanding	None outstanding	All low actions outstanding are in the process of being implemented
Reasonable	51 – 75 percent	None outstanding	75 percent of medium actions made are in the process of being implemented	75 percent of low actions made are in the process of being implemented
Little	30 – 50 percent	All high actions outstanding are in the process of being implemented	50 percent of medium actions made are in the process of being implemented	50 percent of low actions made are in the process of being implemented
Poor	< 30 percent	Unsatisfactory progress has been made to implement high actions	Unsatisfactory progress has been made to implement medium actions	Unsatisfactory progress has been made to implement low actions

APPENDIX B: SCOPE

Scope of the review

The internal audit assignment has been scoped to provide assurance on how the Police and Crime Commissioner for North Yorkshire and the Chief Constable of North Yorkshire manages the following objective:

Objective of the area under review

We will confirm the actions closed on ARM are supported by appropriate evidence to reflect what has been reported to management and the Joint Independent Audit Committee.

When planning the audit, the following areas for consideration and limitations were agreed:

Areas for consideration:

- Internal Audit undertook a review of agreed high and medium priority management actions which had been closed on ARM.
- We also considered recommendations classified as 'fundamental' or 'significant' raised by the previous internal auditors which have been closed on ARM.
- We reviewed closed actions on ARM two weeks prior to our audit visits on 21st August 2017.

Limitations to the scope of the audit assignment:

- The review only covered audit recommendations previously made, and we have not reviewed the whole control framework of the areas listed above. Therefore, we cannot provide assurance on the entire risk and control framework.
- We have only considered closed high and medium priority management actions and closed fundamental and significant recommendations.
- We have ascertained the status of recommendations through discussion with management and review of the recommendation tracking.
- We have not considered HMIC recommendations.
- Where testing was undertaken, our samples were selected over the period since actions were implemented or controls enhanced.
- Our work does not provide any guarantee or absolute assurance against material errors, loss or fraud.

APPENDIX C: ACTIONS COMPLETED

From the testing conducted during this review we have found the following actions to have been fully implemented and are now closed:

Assignment title	NYP Response on ARM
Data Quality (Including Governance)	<p>Identified duplicate records/data entry errors will be merged/corrected in a timely manner by the business area.</p> <p>If the Records Management Team identify that duplicate records/data entry errors have not been merged/corrected in a timely manner, this will be escalated to an appropriate chain of management.</p> <p>This requirement will be communicated to all business areas and SPoCs.</p> <p>ICT will run reports on a monthly basis to identify blank records and delete these where it is found that the record does not link to anything else on the Niche system.</p> <p>The audit trail functionality on SSRS will be reconfigured to look further back than the current two month restriction (e.g. the previous 12 months) for the error reports where this functionality is the only way to determine whether previously flagged errors have been corrected, such as Crime Report 20 and 59.</p> <p>The Records Management Team will, in consultation with other relevant parties, investigate whether all error reports that are configured to flag data entry errors from the beginning of the financial year can be reconfigured to flag uncorrected data entry errors from previous financial years as well.</p>
Data Quality (Including Governance)	<p>Each business area will have a formal process in place for monitoring and identifying staff members that make repeated data entry errors and a process in place to address this e.g. informing them of the error and any corrective actions required.</p>
Data Quality (Including Governance)	<p>All business areas will be reminded of the Niche initial training that is being delivered and the frequency of this along with the requirement that all new starters must attend these sessions.</p> <p>The Force will explore if the centralised training records maintained by the Training Team can capture any specialist Niche training delivered in-house by some business areas, which can include the requirement for business areas to notify them of any new starters that have received in-house specialist Niche training.</p>
IT Network Security and Disaster Recovery	<p>The ICT Patch Management Policy is currently in circulation for approval, where it will feature as an item at the Information Assurance Board on 24th August 2016. The following areas are outstanding:</p> <ul style="list-style-type: none"> • Recruitment – ICT Change Analyst. • Patching/maintenance windows to be agreed with the business.

IT Network Security and Disaster Recovery	Management will review the IT Business Continuity Plan/Disaster Recovery Plan with a view to including an approach to regular testing of the plan.
Governance - Structure, Reporting, Challenge and Decision Making	The Executive Group will review the attendance of its core governance meetings to determine if it is both appropriate and effective. Attendance may need to be reduced where ineffectiveness and duplication arises.
Follow Up of Previous Internal Audit Recommendations 2.16/17 (Administration of the OPCC)	Separate purchasing cards will be requested and used by individuals who need them. Non-signatories will not be able to use these cards. The DRM will be updated to reflect these changes.
Management of Police Information (MoPI): MMI Project	Key milestone completion and slippages will be included as an agenda item for the Project Team meeting. The relevant action log will be updated to reflect the assigned action to address the project implications.
Annual Petty Cash Check	The requirement for forms submitted to be signed, either physically or via email, before they are processed will be reiterated to all Business Administration Managers.
Collaborations	Performance reports will be reviewed and the Force will ensure through the ACC Assurance Group that continuous review of the reporting is undertaken. This will ensure that the information provided is of the right tone i.e. contains information required by the Board to enable scrutiny, challenge and decision making across the collaboration governance structure.
Collaborations	The Force will ensure that performance measures are devised detailing agreed Key Performance Indicators (KPIs) by which success of the collaboration can be measured. The Force will ensure that the implementation of performance measures for the Odyssey collaboration is followed up at the ACC Assurance Group.
HR Training	Qualitative ROI will be developed to detail the cultural changes as well as the skill and knowledge levels that would be delivered by the training.

APPENDIX D: ACTIONS SUPERSEDED

From the testing conducted during this review we have found the following actions to have been superseded:

Assignment title	Management action	Superseded reason
HR Training	Third party training providers will provide an attendance list within two working days of the course ending, so that TAS can be kept up to date with all external training.	This process has moved to internal manual communication – the HR team now email each delegate to confirm they attended the training.
Collaborations	Ensure that a benefits realisation review is undertaken and reported through the collaborative governance structure. This will enable the Force to obtain assurance that the business case objectives have been realised.	Gaps in the collaboration's original paperwork made it difficult to complete a benefits realisation, it was decided a benefits realisation exercise would be too much work for the associated benefit / assurance it would provide the Force.

FOR FURTHER INFORMATION CONTACT

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