



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

Internal Audit Progress Report

15 March 2022

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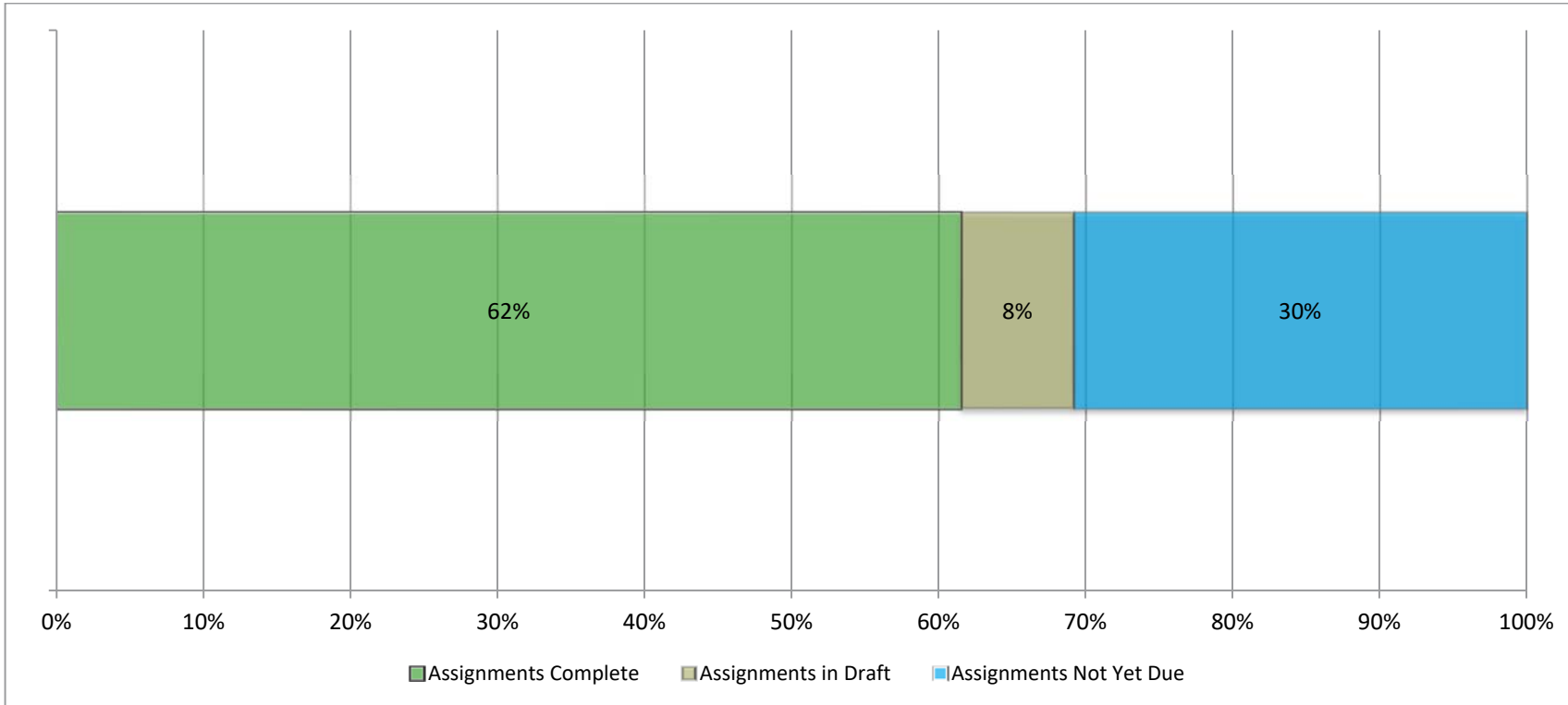


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1 Introduction



The internal audit plan for 2021/22 was approved by the Joint Independent Audit Committee (JIAC) on 16 March 2021. The graphic below provides a summary update on progress against the 2021/22 plan.



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.

Assignment	Opinion issued	Actions agreed		
		L	M	H
<p><u>Estates – Covid-19 Response</u></p> <p><u>Objective of the review:</u></p> <p>The organisation has appropriate measures in place to manage the health and safety risks to its officers and staff as a result of the Covid-19 pandemic across its estate, with particular regard to any buildings which are shared.</p>	<p>Substantial assurance</p> 	1	1	0
<p><u>Capital Investment Programme</u></p> <p><u>Objective of the review:</u></p> <p>The organisations have a robust framework in place to ensure that the capital investment programme is linked to their strategic objectives, appropriately approved and delivered, with any slippage highlighted for scrutiny.</p>	<p>Partial assurance</p> 	0	5	2
<p><u>Follow Up of Previous Internal Audit Management Actions: Visit 2</u></p> <p><u>Objective of the review:</u></p> <p>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.</p>	<p>Good progress</p>	0	1	0



Assignment	Opinion issued	Actions agreed		
		L	M	H
<p><u>Benefits Realisation</u></p> <p><u>Objective of the review:</u></p> <p>The organisations have a robust framework in place to ensure that the benefits expected from a transformational change and the benefits subsequently achieved are identified, assessed, and reported on a consistent basis.</p>	Substantial assurance	0	1	0



Appendix A: Progress against the internal audit plan 2021/22

The current Covid-19 situation means that our clients and internal audit are working differently. We understand and recognise the organisations' strategic risks, and that the developments around Covid-19 will continue to impact on all areas of the organisations' risk profile. We will continue to 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	Target Joint Independent Audit Committee
Cyber Risk Management	Draft report issued on 23 February 2022	June 2022
General Data Protection Regulation	Planning document issued and approved Fieldwork scheduled to take place week commencing 14 March 2022	June 2022
Workforce Planning	Planning document issued Fieldwork scheduled to take place week commencing 21 March 2022	June 2022
Communication	Initial planning meeting held Fieldwork scheduled to take place week commencing 28 March 2022	June 2022
Financial Planning	Planning document issued and approved Fieldwork scheduled to take place week commencing 28 March 2022	June 2022



Appendix B: Other matters

Impact of findings to date on 2021/22 opinions

The JIAC should note that the assurances given in our audit assignments are included within our Annual Assurance Report. In particular, the JIAC 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 opinions. To date we have issued three negative opinions (one minimal assurance and two partial assurance opinions) relating to final reports, and all of these will impact our Head of Internal audit opinions, but will not in isolation result in a qualified year end opinions at this stage. We still have another four reviews to undertake and one draft report to finalise. We will keep the CFOs informed of our remaining audits and any further negative opinions that may impact the year end head of internal audit opinions.

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.

External reviews of quality

One of the key measures of quality is an independent third-party assessment and, as a firm we are required to conform to the requirements of the International Professional Practices Framework (IPPF) published by the Global IIA. Under the Standards, internal audit services are required to have an external quality assessment (EQA) every five years. The RSM UK Risk Assurance service line commissioned an external independent review of our internal audit services in 2021, to provide assurance as to whether our approach continues to meet the requirements.

The external review concluded that RSM 'generally conforms to the requirements of the IIA Standards' and that 'RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics. There were no instances of non-conformance with any of the Professional Standards'.

The rating of 'generally conforms' is the highest rating that can be achieved, in line with the IIA's EQA assessment model.

Changes to the 2021/22 internal audit plan

Our approach to working with you has always been 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. Detailed below are the changes to the audit plan:

Note	Auditable areas	Reason for change
1	General Data Protection Regulation Communication Estates Reported to the Joint Independent Audit Committee on 21 September 2021	The internal audit plan was approved by the JIAC on 16 March 2021 included proposed delivery dates. At the request of management, the fieldwork delivery timings have been changed as follows: <ul style="list-style-type: none">• Estates: fieldwork originally scheduled to take place week commencing 5 July 2021. The fieldwork has been rescheduled for week commencing 25 October 2021.• Communication: fieldwork originally scheduled to take place week commencing 16 August 2021. The fieldwork has been rescheduled for week commencing 21 February 2022.• General Data Protection Regulation: fieldwork originally scheduled to take place week commencing 27 September 2021. The fieldwork has been rescheduled for week commencing 10 January 2022.
2	General Data Protection Regulation Reported to the Joint Independent Audit Committee on 27 January 2022	The internal audit plan approved by the JIAC in March 2021 included proposed delivery dates. At the request of management, the fieldwork delivery timings have been changed as follows: General Data Protection Regulation: fieldwork originally scheduled to take place week commencing 27 September 2021. The fieldwork had been rescheduled for week commencing 10 January 2022. A further request was made by management to defer this review to week commencing 14 March 2022.
3	Financial Planning	The Financial Planning review was scheduled to take place week commencing 24 January 2022. At the request of the Force Chief Finance Officer this review has been rescheduled to week commencing 28 March 2022 to reflect the resource pressures on the department.

Appendix C: Key performance indicators (KPIs)

Delivery			Quality		
	Target	Actual		Target	Actual
Draft reports issued within 10 days of debrief meeting	10 days	7 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	-

Appendix D: Internal audit assignments reported previously

Reports previously seen by the Joint Independent Audit Committee and included for information purposes only:

Assignment	Opinion issued	Actions agreed		
		L	M	H
Seized Exhibits	Official Sensitive	-	-	-
Follow Up of Previous Internal Audit Management Actions: Visit 1	Good progress	0	1	0
Freedom of Information	Partial Assurance	1	4	2
CIPFA Code of Practice – Financial Management	Advisory Review	0	2	0



For more information contact

Daniel Harris

Head of Internal Audit

RSM UK Risk Assurance Services LLP

1 St. James' Gate, Newcastle Upon Tyne, NE1 4AD

M: +44 (0)7792 948767 | **W:** www.rsmuk.com

rsmuk.com

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 North Yorkshire and the Chief Constable of North Yorkshire**, 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 UK 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 UK 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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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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