



# THE CHIEF CONSTABLE OF NORTH YORKSHIRE

## Purchasing Process Review

Internal audit report 12.22/23

FINAL

19 March 2024

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# 1. EXECUTIVE SUMMARY

## Why we completed this audit

We have undertaken an advisory review of the purchasing process at North Yorkshire Police (the Force) that is outside of the approved audit plan for 2022 / 2023. This review has been completed in addition to the RSM Fleet Management (6.22/23) and the RSM Key Financial Controls – Accounts Payable reviews (9.22/23) carried out in 2022 / 2023. The scope of the two reviews were designed to consider compliance with key controls and included substantive testing to support conclusions. Both reviews identified significant issues in the purchasing processes in place at the Force, resulting in minimal assurance and partial assurance opinions respectively.

As a result, the Chief Finance Officer (Chief Constable) subsequently requested RSM to carry out this review, which is intended to be an advisory review of the end-to-end purchasing processes, with the objective of assessing control design and identify any gaps, weaknesses or inconsistencies in current purchasing processes that require management attention or further development. This review is not intended to repeat the work carried out as part of the Fleet Management (6.22/23) and Key Financial Controls – Accounts Payable (9.22/23) reviews, and therefore we have referenced, where applicable, any previously identified management actions rather than repeating any prior findings to avoid duplication.

Our review has included an assessment of documentation available to the Force regarding procurement, purchasing and payments, guidance and training available to budget holders, consideration of access rights and restrictions built into the Force's purchasing systems, and has included a full end-to-end walkthrough of the Oracle and Tranman systems, which are the two primary purchasing systems. Our understanding of the purchasing process through iProc has been outlined at Figure 1.

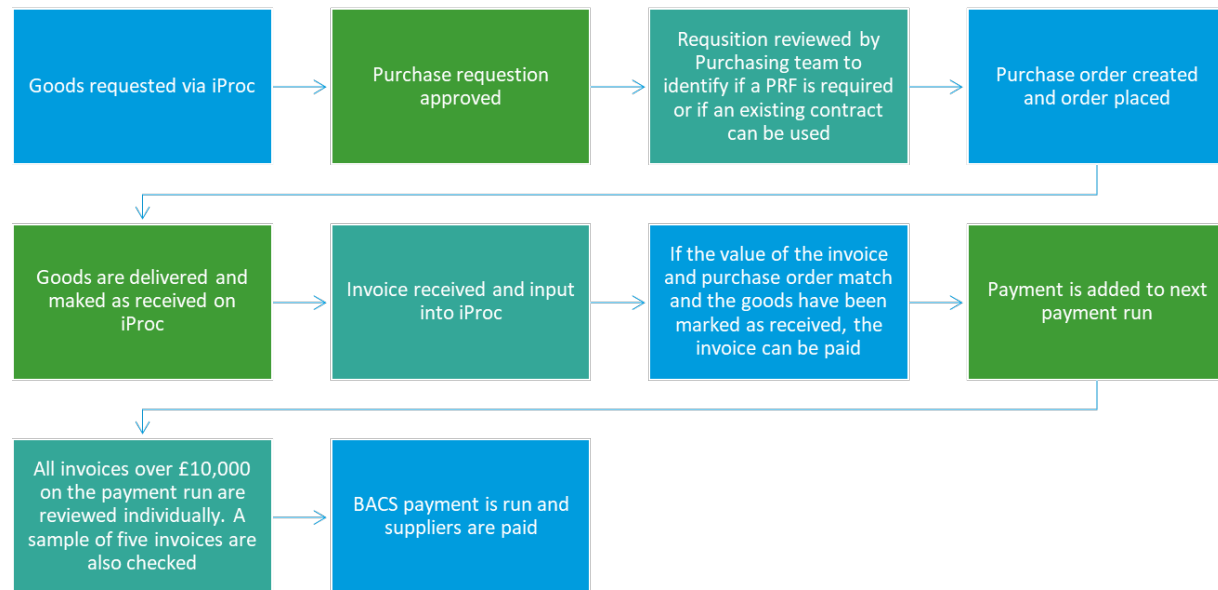


Figure 1

## Conclusion

Our review has resulted in **one high, six medium, and 10 low priority** management actions being raised. The full details of which can be found under section two. A high-level summary of high and medium actions identified has been provided in the key findings below:

## Key findings

Area	Priority	Finding	Risk
Training	Medium	<b>Missing control</b> There is no formalised training in place for budget holders.	Budget holders are unaware of responsibilities.
Oracle supplier set up	Medium	<b>Control design weakness</b> One individual is responsible for updating Oracle user access and for updating the scheme of authorisation.	Lack of segregation of duties resulting in incorrect user set-up leading to fraudulent activity.
Purchasing Team access to Tranman	Medium	<b>Control design weakness</b> A member of the Purchasing Team does not have access to the Tranman system, representing a lack of visibility over Tranman purchases.	Lack of purchasing oversight leading to a lack of value for money or non-compliant expenditure.
Tranman order placing	High	<b>Control design weakness</b> Orders are raised on the Tranman system to generate order number and placed with supplier prior to budget holder approval.	Force is held accountable for unapproved expenditure.
Audit trail	Medium	<b>Missing control</b> There is no audit trail available in Tranman.	Fraudulent activity could go undetected.
Tranman supplier set up	Medium	<b>Control design weakness</b> No restriction on supplier set up in Tranman and orders can be placed against non-approved suppliers.	Force does not achieve value for money, or the use of non-approved suppliers results in reputational damage.
Goods marked as received in Oracle	Medium	<b>Control design weakness</b> There is no restriction on who can mark goods or services as received in the Oracle system.	Purchases are authorised for payment without budget holder approval, resulting in fraudulent activity.

## 2. DETAILED FINDINGS AND ACTIONS

### Overarching documentation / procedural guidance

#### Devolved Resource Manual (DRM)

The DRM is the primary document in place at the Force outlining its financial procedure and the framework for financial monitoring, management, and control of the organisation. It explains how the Police and Crime Commissioner for North Yorkshire must ensure that the public resources made available to them to commission policing services for the communities of North Yorkshire County and the City of York are optimised and accounted for. For the resources delegated to them by the Commissioner, the Chief Constable is accountable to the Police and Crime Commissioner for North Yorkshire. The Police and Crime Commissioner's Chief Finance Officer and the Chief Constable's Chief Finance Officer roles have statutory responsibilities for the financial administration of the organisation. They delegate authority and responsibility for income received and expenditure incurred to identified budget holders.

The DRM is supported by the scheme of delegation, which outlines who is responsible for approving purchases and how this is delegated. We considered both documents and identified no overlaps or contradictions and noted that they work alongside each other to outline how the Force delegates authorisation for expenditure committed.

The DRM is a large document, with a total of 217 pages covering 35 chapters, which each consider different areas of financial management. The document provides an in-depth overview of the finance and purchasing systems in place but is not particularly user-friendly or easy to navigate. It could therefore be difficult to find the required information to ensure correct procedures are adhered to, which may mean staff or officers neglect to consult the DRM if unsure of the required procedures to be followed. The length of the document would also cause reviews of procedures to be overly time-consuming and could mean contradictions exist or required information is missed.

#### Management Action 1

The Force should consider streamlining the information within the DRM to be more user-friendly.

**Responsible Owner:**

Head of Finance, Enable

**Date:**

31 March 2025

**Priority:**

**Low**

The two systems used to manage Force purchasing is the Oracle system, which is the primary purchasing system, and the Tranman system, which is used to procure vehicle parts. Although no payments are made through the Tranman system, the system is used to order and authorise the purchasing of vehicle parts.

From review of the DRM, we identified only one mention of the Tranman system, which was in reference to inventory records. The DRM includes no comment on the processes for ordering and authorising purchases through this system, which means the Force may not have fully considered whether processes are in line with Force financial procedures.

## Management Action 2

The Force should document the processes to be followed for ordering and authorising purchases in the Tranman system within the DRM.

**Responsible Owner:**

Head of Finance, Enable

**Date:**

31 March 2025

**Priority:**

Low

## Procedural documentation

The Fleet and Logistics Manager and the Fleet Review Manager informed us that a Tranman policy or process document does not exist to cover the use of the system, including how to add or remove users, which may lead to users being unaware of how to place orders appropriately through the Tranman system.

## Management Action 3

The Force will develop a procedural document on the use of the Tranman system, which includes how to add or remove a user and how the process interlinks with the Oracle system processes.

**Responsible Owner:**

Head of Finance, Enable

**Date:**

31 March 2025

**Priority:**

Low

## Accountability

Our discussions with budget holders and the Finance Team as part of this review confirmed that budget holders meet with a Finance Business Partner on a monthly basis to discuss their budgets, forecasts and any anomalies. We confirmed that budget holders have input into the development of their budget allowing them to have greater accountability and transparency with regards to expenditure, ensuring that expenditure committed aligns to approved budget and is carried out to support Force operations. This process is supported by the discussions with their assigned Finance Business Partner who will produce monthly Oracle reports that contains the current budget and the budget for the following financial year. The Accountant confirmed that each September, budget holders and their assigned Finance Business Partner meet to discuss amendments to their budget for the following year which allows dialogue and challenge on any new income and expenditure, and provides an opportunity to identify any potential cost savings. This exercise ensures that the budget holder is involved in decision making and fully understands their budget allowing for greater accountability.

Furthermore, the process for developing the budget alongside the Finance Business Partner allows the budget holder to align their budget with the approved service plan for their department or area. In turn, this significantly reduces the likelihood that budgets do not cover the full service plan for a department and the requirement for additional funding to be requested through one of the governance groups (such as, the Change Board, or the Chief Officer Team (COT)). Our discussions with budget holders established that they were aware of the required procedures to request additional budget, should this be required.

During discussions with the Procurement Officer and a walkthrough of the purchasing system on iProc, we confirmed that the purchasing process has been set up to use three separate paths depending on the purchase made by the individual (inventory, catalogue and non-catalogue). Through review and walkthrough of all three areas, we confirmed that inventory and catalogue orders have been set up to cover items purchased that may fall under current contracts and for those purchases made through the non-catalogue path, we confirmed that the Purchasing Team review these to confirm whether an existing contract is in place for the item. We verified that where a contract is in place, items are correctly added and approved by two separate individuals to ensure segregation of duties. This process ensures that the Force is considering the use of existing contracts to achieve value for money in its purchases, resulting in potential cost savings.

## Training / guidance documentation

### Guidance

The Procurement Officer confirmed that six purchasing video guides available on the Force's intranet system, The Source, to support users with navigating the iProc system. Some of these guides cover how to order from a catalogue, how to create a non-catalogue requisition, how to request goods and services, and how to view or correct a receipt. These videos are available to all staff and officers.

Supporting these video guides are written guidance documents that should be used in conjunction with the video guides noted above. We reviewed the written guidance and confirmed the processes explained in the guidance align with the processes in the DRM and the processes that staff informed of us during our audit meetings. However, we did note that for one guidance document which covers the purchasing of goods that exceed £1,000, that the guide explained for these purchases that three quotes are required to be obtained to ensure value for money is achieved. Whilst this is not in line with the DRM which specifies that for any purchase under £10,000 it is up to the discretion of the budget holder; this guidance is certainly good practice. Despite this, either the guidance document or the DRM should be updated to ensure both are consistent in their approach for purchases over £1,000, to mitigate the risk of confusion or contradiction.

### Management Action 4

The Force should streamline financial procedural documentation to ensure “one version of the truth” for finance processes. The Force should consider whether any guidance documents available are redundant and therefore should be removed from central platforms.

<b>Responsible Owner:</b>	<b>Date:</b>	<b>Priority:</b>
Head of Finance, Enable	31 March 2025	<b>Low</b>

A procurement flow diagram is also available for staff which outlines when a procurement request form (PRF) is required and the process following this.

From our discussions with budget holders, they confirmed that there is sufficient guidance available to support the purchasing process and knew where to access information should any issues arise using the Oracle system.

However, the Fleet Review Manager did inform us that those who use the Tranman system do not have training for it though a user guide is available on the intranet. We further noted that staff do not receive specific training on the Oracle system or on any of the purchasing processes. The Accountant and the Procurement Officer informed us that only informal training is provided to staff and the Force primarily adopts an on-the-job learning approach.

In discussions with budget holders, we did note that formal training is not provided to them to ensure they are aware of their roles and responsibilities as budget holders. However, it was noted that they have access to a designated Accountant to assist them, which includes monthly meetings to discuss monitoring of budgets and expenditure in line with agreed service plans. It was also highlighted during our audit that most budget holders are senior members of staff and likely have relevant experience before becoming a budget holder. We were informed during a previous audit that budget holders are required to sign and acknowledge a document to state that they understand their role as budget holders. We asked the Finance Team whether these documents are still in place, and we understand that budget holders are no longer required to sign these. Without formalised training or an acknowledgement of budget holder responsibilities, there is a risk that budget holders may be unaware of their duties, which risks a lack of accountability for Force purchasing.

### Management Action 5

The Force should consider whether formalised training should be implemented for budget holders and whether budget holders should be requested to sign a declaration outlining that they understand their responsibilities to ensure accountability for Force budgets.

**Responsible Owner:**  
Head of Finance, Enable

**Date:**  
31 March 2025

**Priority:**  
Medium

In addition, the Finance Team operates a vast number of guidance documents which we reviewed via screenshare. It was noted that at least 40 documents exist outlining various processes carried out by the Finance Teams, with documents including new starters on Oracle, close general ledger, and purchasing cards. A lot of the documents appear to have been reviewed and dated in as early as 2012, and whilst processes may not have largely changed, there is a risk that without consistent review and a streamlining of documentation that processes could contradict one another or may not accurately reflect current procedures.

### Management Action 6

The Force should consider streamlining financial procedural documentation present in the Finance Team shared drives and review documentation to ensure processes are up to date.

**Responsible Owner:**  
Head of Finance, Enable

**Date:**  
31 March 2025

**Priority:**  
Low

## Access

### Oracle system

Access restrictions within the Oracle system are set based on roles outlined within the scheme of authorisation. The Accounting Technician is responsible for both maintaining and updating the scheme of authorisation which outlines the authorisation limits for all roles within the Force and adding these limits on the Oracle and iProc system. The design of this control presents a lack of segregation of duties, as the Accounting Technician is the only individual responsible for updating the Oracle and iProc systems and is responsible for updating the scheme of authorisation, meaning authorisation limits could be updated both in the system and within Force document. As there are no secondary checks undertaken on access changes or of the scheme of authorisation changes, there is a risk that updates could be incorrectly made, which could lead to fraudulent activity.

#### Management Action 7

A review of responsibilities should be undertaken, and the Force should ensure a clear segregation of duties is established between updating the scheme of delegation and updating access rights within the Oracle and iProc systems. The Force should consider implementing a secondary check of changes made.

Responsible Owner:	Date:	Priority:
Head of Finance, Enable	31 March 2025	Medium

The Procurement Officer confirmed that a member of the Finance Team has been delegated the responsibility to adjust delegations of authority as long as the budget holder provides written approval of this. It was noted that whilst written approval is required, no control exists to verify this and, in theory, the member of the Finance Team could adjust delegation without approval.

The Procurement Officer provided an example of one instance where the budget holder was on leave and unavailable. An urgent purchase was required and despite numerous attempts the budget holder could not be reached. To counter this, approval was sought from a senior member of staff who approved the spend though they were not the budget holder.

#### Management Action 8

The process to change delegations to approve will be reviewed to determine whether additional controls and segregation of duties can be implemented.

Responsible Owner:	Date:	Priority:
Head of Finance, Enable	31 March 2025	Low

The Procurement Officer noted that all purchases that exceed £250 must be reviewed by the Purchasing Team to ensure that the individual approving has the authority to do so, and they have the authority to do this for their cost centre. As such, a significant number of purchases are checked on a weekly basis. During the Key Financial Controls review (9.22/23) we identified that whilst authorisation limits for individuals are set in line with cost centres in the scheme of authorisation, the iProc system does not currently have the functionality to differentiate between cost centres when staff are approving purchase orders.



As such, if an individual has multiple authorisation limits for different cost centres, the iProc system will use the highest limit. For example, if the scheme of authorisation documents that an individual can approve two separate cost centres but with differing limits (e.g. £10,000 and £20,000), iProc will use the highest limit (in this case £20,000) for all cost centres. We have not raised a recommendation during this review as this discrepancy was identified and an action raised during the Key Financial Controls audit (9.22/23) completed in February 2023.

The Procurement Officer noted that the value of £250 was agreed as part of Transform 2020 and that under this value, the onus is on the person approving the requisition. Given the £250 value was set in 2020 and the Force process a significant number of purchases that exceed this value, particularly with the rate of inflation circa 10%, it may be worthwhile the Force considering increasing this value to ensure it remains resource effective.

### Management Action 9

The £250 threshold should be reviewed to determine whether increasing this is more resource effective.

**Responsible Owner:**

Head of Finance, Enable

**Date:**

31 July 2024

**Priority:**

Low

### Tranman system

When meeting with the Fleet Review Manager, we were informed they are responsible for adding and removing users on the Tranman system. They confirmed that they are also an authoriser and have a limited of £10,000 within the system, which we confirmed matches the scheme of authorisation. However, there is no secondary check to user additions or changes of limits within the system, meaning any unauthorised or inappropriate changes could go unnoticed without an established segregation of duties.

### Management Action 10

The Force will implement a secondary check for user changes within the Tranman system. The Force should consider whether audit trail is available of any user changes made or changes to authorisation limits.

**Responsible Owner:**

Transport and Logistics Manager

**Date:**

31 July 2024

**Priority:**

Low

Furthermore, we confirmed that other individuals outside of the Fleet and Logistics Team have access to Tranman. Notably, we identified several individuals from the Legal Team, the Finance Team, and the Stores Team. These individuals are required to have access to Tranman as part of their role. For example, the Legal Team requires access to Tranman as this is where accident details are stored if a fleet vehicle owned by the Force is involved in a traffic accident. We confirmed that whilst they have access to Tranman, this is read-only and does not allow them to perform additional actions such as raising orders.

Whilst the Fleet Review Manager would be aware of staff that leave the Fleet and Logistics Team, they may be unaware of user changes outside of the team. This could mean that users have access to Tranman despite not being employed by the Force. However, as the Force only has a set number of licenses for

Tranman which can only be accessed on specific computers, the risk of inappropriate access by an ex-employee is significantly reduced. The Fleet Review Manager did also highlight that the Fleet and Logistics Team has a monthly meeting with the Legal and Finance Teams, where they would be informed of any leavers.

### Management Action 11

The Fleet Review Manager will request monthly updates on any user changes required to Tranman system to ensure all roles are accurately set up within the system.	<b>Responsible Owner:</b> Transport and Logistics Manager	<b>Date:</b> 31 July 2024	<b>Priority:</b> Low
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Whilst individuals from the Legal Team and the Stores Team have access to Tranman, we could not identify anyone from the Purchasing Team that has access to Tranman. Given that the Purchasing Team is responsible for procurement and ensuring the correct purchasing process is undertaken, it would be beneficial to have a member of this team set up with access to Tranman to ensure additional oversight. This is particularly important as currently there is no oversight on expenditure processed through Tranman by the Purchasing Team, which could risk non-compliance with procurement policies.

### Management Action 12

A member of the Purchasing Team will be provided with access to the Tranman system to allow visibility of ordering within the system and ensure adequate checks are carried out on purchasing as with the iProc system.	<b>Responsible Owner:</b> Commercial Manager	<b>Date:</b> 31 July 2024	<b>Priority:</b> Medium
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## Walkthrough of purchasing authorisation

### Oracle system

We completed a walkthrough of the Oracle system and conducted a “dummy” purchase to consider the adequacy of control design within the system, ensuring a clear segregation of duties is maintained at each approval stage. We confirmed at the purchase requisition stage that the requisitioner must be a separate individual to the approver and that only individuals within an approval limit that exceeds the requisition value can approve it. We also verified that all purchases are assigned a cost centre and approvers must have an authorisation limit for that specific cost centre in order to approve the requisition, ensuring a dual authorisation check based on correct limit and cost centre. Although, as highlighted above, if an authoriser has varying limits in multiple cost centres, the system assigns the highest limit, meaning purchases could be authorised in excess of the authoriser’s approved limit for that cost centre. Whilst we consider this a significant control weakness, we have not re-raised a management action within this report.

Our walkthrough and “dummy” purchase identified no further issues in the authorisation set up within the Oracle system, and we deemed the system set up to be in line with what we see at other organisations. Our understanding of the ordering process through the Oracle system is set out above at Figure 1 in the Executive Summary.

### Tranman system

During a walkthrough of the Tranman system, we identified that orders are not approved by a secondary individual until after the supplier has been informed and the order placed. The Fleet Review Manager noted that the suppliers will not accept an order without an order number, which is not possible to create without first going through the purchase order process. Once the order has been agreed with the supplier, the individual that raised the order contacts an authorised individual to ensure that this can be approved, meaning orders are retrospectively approved. We consider this to be a significant control design failure, whereby purchases are able to be placed prior to budgetary authorisation, meaning the Force could be committing itself to unapproved expenditure, and may be liable for purchases that outside of approved budgets.

#### Management Action 13

The Tranman system and fleet ordering process will be reviewed to ensure approval is sought from budget holders prior to ordering goods from suppliers. This will prevent users from committing the Force to unapproved expenditure.

**Responsible Owner:**

Transport and Logistics Manager

**Date:**

31 July 2024

**Priority:**

**High**

We identified discrepancies with the process when selecting the approver for the order which further exacerbates the above issue. During our walkthrough we confirmed that users can not authorise greater than their authorisation limit; however, we did note, as identified during the Key Financial Controls (9.22/23) review, that users can simply select from a drop-down bar the individual that is authorising. There are no checks in place to confirm that the person selecting from the drop-down bar is an authoriser and nothing is stopping users from authorising their own purchases by stating that they are another authoriser. For example, a user that could approve their own purchase of £5,000 by selecting that they are the Fleet Review Manager who has an authorisation limit of £10,000. However, we have not been able to review the approvals previously made as Tranman has limited audit trails available to allow for any in-depth analysis. We have not raised this as a management action during this review as this has already been raised as part of the Key Financial Controls audit (9.22/23); however, it is recommended that the Force liaises with system providers to determine whether audit trail is available with the Tranman system.

#### Management Action 14

The Force should liaise with system providers to review whether audit trails of changes made within Tranman are available.

**Responsible Owner:**

Head of Finance, Enable

**Date:**

31 July 2024

**Priority:**

**Medium**

## Supplier set up

### Oracle system

We confirmed a new supplier form is used to add suppliers to the iProc system though there are areas for development with regards to a secondary check of supplier details entered onto the iProc system to ensure they are correct. We have not raised a management action for this as it was identified during the Key Financial Controls review (9.22/23). We confirmed that whilst new suppliers can be set up by Tranman users, appropriate segregation of duties exist as suppliers on Tranman must match the supplier on iProc in order for the purchase order and invoice to be paid. This is due to the lack of payment processing on Tranman and subsequently all invoices must be transferred to iProc for payment. If a supplier on Tranman does not match the supplier on iProc, the invoice will not match and no payment will be made. We confirmed during a walkthrough of Tranman that that only a small number of individuals have permission to raise orders and that no individual is a member of the Finance Team. Given that the Finance Team would be involved with the setting up of suppliers, this provides additional assurance with regards to segregation of duties.

### Tranman system

Suppliers on the Tranman system can be set up by a number of different users and given the lack of integration between the two systems, a supplier could be set up in the Tranman system prior to it being set up within the Oracle system. There are no restrictions or checks carried out on the supplier set up within the Tranman system, which we consider to be a missing control. Whilst it is not possible to pay these suppliers through the Tranman system, instead the supplier is required to be set up, approved, and paid through Oracle; however, there is no control that prevents this being completed in advance of the transfer of the approved order to the Oracle, which means orders could be placed to non-approved suppliers. There is therefore a risk that the Force has not carried out adequate due diligence checks on Tranman suppliers prior to use, and value for money may not be achieved should a previous contract already exist.

### Management Action 15

The Force will determine whether additional restrictions can be added to the Tranman system and the setting up of suppliers, and whether an audit trail can be made available within the system. This would prevent users from setting up a non-approved supplier and ordering from this supplier and therefore committing the Force to unapproved expenditure.

**Responsible Owner:**

Transport and Logistics  
Manager

**Date:**

30 September  
2024

**Priority:**

Medium

## Goods received

The Procurement Officer and Accountant confirmed that evidence of goods received (such as a delivery note) are not stored on Oracle and the Fleet and Logistics Manager confirmed evidence is not stored on Tranman. The Procurement Officer highlighted that they save this evidence locally in the event of an audit though this is not mandated, and they did not believe this would have been completed by other staff members or officers. We consider the lack of goods received notes to be a key control weakness and have raised a management action within the Key Financial Controls review (9.22/23).

The DRM does state that delivery notes should be signed and dated and the GRN reference number recorded on the delivery note. However, as delivery notes are held locally by individuals and are not stored in a central location, there are currently no checks and no way to determine compliance across the organisation. Whilst it would not be resource efficient to check all delivery notes, it could be beneficial for all notes to be stored in a central location with a clear naming structure. This could be supported by dip sampling to determine compliance with the DRM. If this is not completed, the Force will not know whether staff are complying with the DRM and goods may be incorrectly recorded as received, which could lead to fraudulent purchases being made.

The Fleet and Logistics Manager confirmed that evidence is not saved on Tranman but is instead saved in a shared drive. The Tranman system does allow users to confirm they have received goods through a tick on the system.

The Accountant confirmed that any staff member with access to the iProc system can mark goods as received regardless of whether they requested the goods or are even within the same department. This poses a risk that staff could incorrectly record goods or services as received and could facilitate fraudulent activity given that orders are paid based on goods being marked as received on the system.

### Management Action 16

A review of iProc will be conducted to determine whether it is appropriate that any user can mark goods or service as received or whether additional restrictions can be applied to ensure only those with authorisation to do so can mark goods or services as received.

**Responsible Owner:**  
Head of Finance, Enable

**Date:**  
30 September  
2024

**Priority:**  
**Medium**

## BACS processing

Purchases made through the iProc system and not through the Tranman system are processed once an invoice has been submitted that matches the purchase requisition value and the goods have been marked as receipted. Each BACS report is reviewed and approved by an authorised individual. Purchases over the value of £10,000 are specifically reviewed and authorised. We completed testing for this during the Key Financial Controls (9.22/23) audit conducted in February 2023. No discrepancies were identified, and all BACS reports had been reviewed and approved by the correct authorisers. We did note, however, that a flowchart provided that outlines the accounts payable process has this value at £20,000 and not the £10,000 as recorded in the DRM. This flowchart should be updated to reflect current processes as there is a risk that staff could use this and not review and authorise payments between £10,000 to £20,000.

### Management Action 17

The Accounts Payable flowchart will be updated to accurately reflect the £10,000 check as required by the DRM.

**Responsible Owner:**  
Head of Finance, Enable

**Date:**  
30 September  
2024

**Priority:**  
**Low**

As Tranman does not have the capacity to directly pay suppliers, invoices are transferred from the Tranman system to iProc before being processed for payment. We walked through this process and confirmed that all invoices are placed in a shared drive which both Tranman users and the Finance Team have access to.

A supporting spreadsheet is used as a checklist to document all invoices and is also used to cross-reference the invoices against the transferred file to confirm accuracy. Before being sent to the Finance Team, two staff members within the Fleet and Logistics Team review and confirm the invoices match the Tranman system and the goods have been received. To confirm this is complete, one individual places their initials on the spreadsheet to confirm that they have checked the invoice is in the shared file and the other places their initials to confirm it is accurate and has been checked. For the current week during the audit, we confirmed that all invoices had two separate initials to verify this check had been completed. A final check is completed by the Fleet Review Manager or the Fleet and Logistics Manager (depending on the total value and whether this exceeds the Fleet Review Manager's authorisation limit) before emailing the Finance Team to confirm the invoices are available. The Fleet Review Manager confirmed that the Finance Team will not accept the invoices without email confirmation. At the same time, a file synchronisation is completed on the Tranman system to send all invoices straight to the iProc system.

## APPENDIX A: CATEGORISATION OF FINDINGS

### Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The following table highlights the number and categories of management actions made as a result of this audit.

Area	Agreed actions		
	Low	Medium	High
Purchasing process review	10	6	1

**Debrief held** 15 May 2023  
**Draft report issued** 26 May 2023  
**Responses received** 19 March 2024

**Final report issued** 19 March 2024

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Chief Finance Officer, Commissioner

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**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 **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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