

Meeting	Audit, Risk and Assurance Committee
Date	15 July 2021
Location	By Video Conference
Title of Paper	Management Progress on Internal Audit Actions
Presented By	Gary Devlin, Partner, Azets
Recommendation to Members	For Discussion
Appendix Attached	Management Progress on Internal Audit Actions

PURPOSE

This paper summarises management progress in completing management actions arising from internal audit reports.

The paper is presented in line with the Scottish Police Authority Internal Audit contract.

The paper is submitted for discussion.

1. BACKGROUND

- 1.1 A follow up tracker is maintained by Police Scotland (PS) to record updates on the progress made by management across PS to implement actions from previous internal audits. We have agreed with Police Scotland that they will make the tracker available to Internal Audit on a quarterly basis for review. We also liaise with SPA staff to obtain updates in relation to SPA-specific actions.
- 1.2 For recommendations graded priority 3 or above, we request evidence to validate completion of any actions marked for closure by management.

2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 We have validated the closure of 18 actions (50%) completed in the period to June 2021, pending the provision of evidence for 1 of those actions. 4 of the completed actions are higher risk (grade 3 or 4). 14 actions (39%) were not yet due at the time of our validation work and a further 4 actions (11%) have passed their original due date and have been assessed as in progress.
- 2.2 We received updates and revised due dates for all actions.
- 2.3 We therefore consider that management has made good progress in implementing agreed audit actions.

3. FINANCIAL IMPLICATIONS

- 3.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

4. PERSONNEL IMPLICATIONS

- 4.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

5. LEGAL IMPLICATIONS

- 5.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

6. REPUTATIONAL IMPLICATIONS

- 6.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

7. SOCIAL IMPLICATIONS

The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

8. COMMUNITY IMPACT

- 8.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

9. EQUALITIES IMPLICATIONS

- 9.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

10. ENVIRONMENT IMPLICATIONS

- 10.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

RECOMMENDATIONS

Members are requested to discuss the report.

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Scottish Police Authority

Internal Audit Report

Management Action Follow-up

Q1 2021/22

July 2021



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Scottish Police Authority

Internal Audit Report

Management Action Follow-up – Q1 2021-22

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Introduction and background

Introduction

As part of the internal audit programme, we complete a follow up review every quarter to provide the Scottish Police Authority with assurance that management actions agreed in previous internal audit reports have been implemented appropriately. This report summarises the progress made by management in implementing agreed management actions during Q1 2021/22.

Scope

A follow up tracker is maintained by Police Scotland (PS) to record updates on the progress made by management across PS to implement actions from previous internal audits. We have agreed with Police Scotland that they will make the tracker available to Internal Audit on a quarterly basis for review. We also liaise with SPA staff to obtain updates in relation to SPA-specific actions.

For recommendations graded priority 3 or above, we request evidence to validate completion of any actions marked for closure by management.

Action for the Audit, Risk, and Assurance Committee

The Committee is asked to note the progress made by management in implementing agreed management actions. The Committee is also asked to consider and approve those actions for which revised timescales have been provided by management (these are detailed at Appendix 2).

Acknowledgements

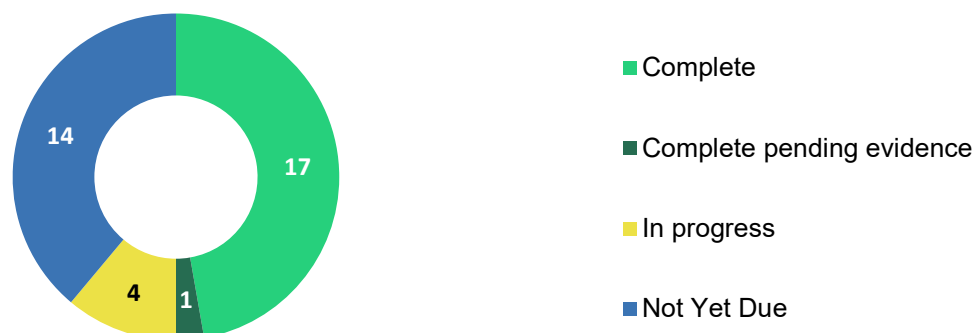
We would like to thank all staff who provided updates for their assistance and co-operation.

Summary of progress

The table below shows the movement in actions included on the Audit Recommendation Tracker, including any outstanding actions brought forward from the previous review in April 2021:

	Number of Actions
Open actions brought forward	21
Actions added to tracker	15
Total actions to follow-up	36
Actions closed	18
Open actions carried forward	18

Status of Actions as at June 2021



We have validated the closure of 18 actions (50%) completed in the period to June 2021, pending the provision of evidence for 1 of those actions. 4 of the completed actions are higher risk (grade 3 or 4). 14 actions (39%) were not yet due at the time of our validation work and a further 4 actions (11%) have passed their original due date and have been assessed as in progress. Further detail on all actions that have passed their original due dates for completion is included at Appendix 2.

We received updates and revised due dates for all actions.

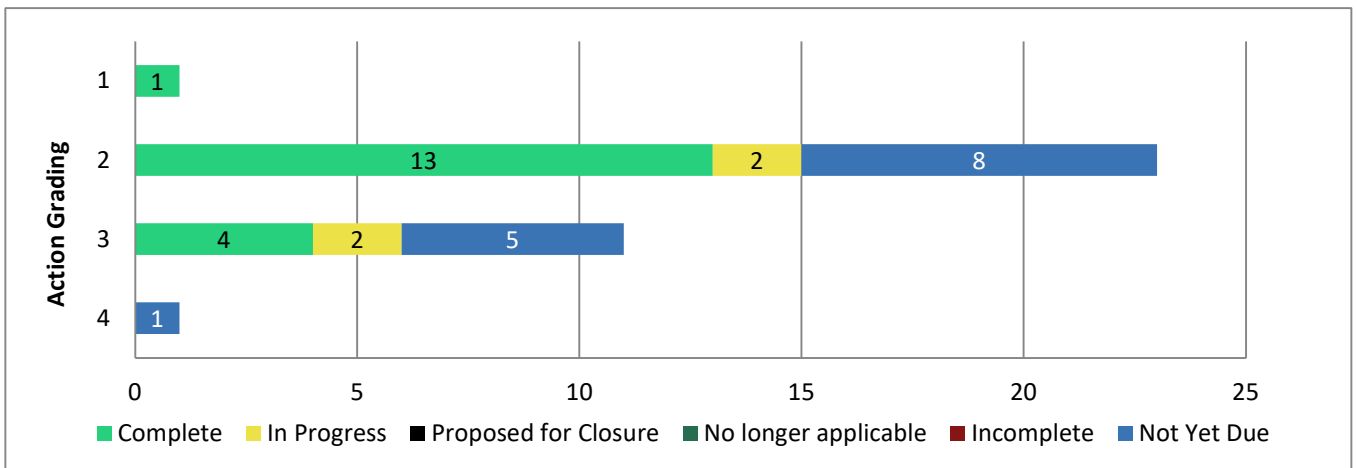
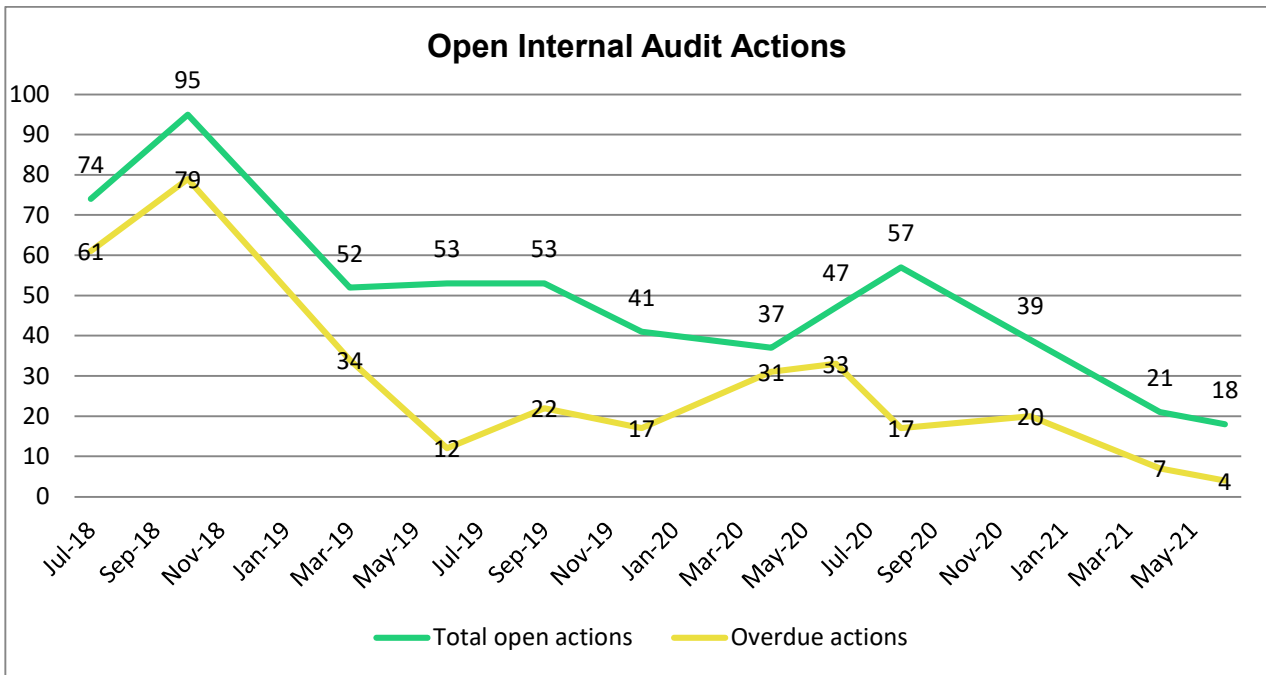
We therefore consider that management has made good progress in implementing agreed audit actions.

A summary of the status of actions by report is shown at Appendix 1.

Open Internal Audit actions

The following graph illustrates management's progress in implementing actions since July 2018. The two lines show the total number of open actions, which includes those not yet due for completion, and the number of overdue actions that have passed their original completion date.

There is an overall downwards trend has continued in both open and overdue actions, following a peak in open actions towards the end of 2020, attributable to the suspension of work not critical to the delivery of operational policing during the response to the COVID-19 pandemic.

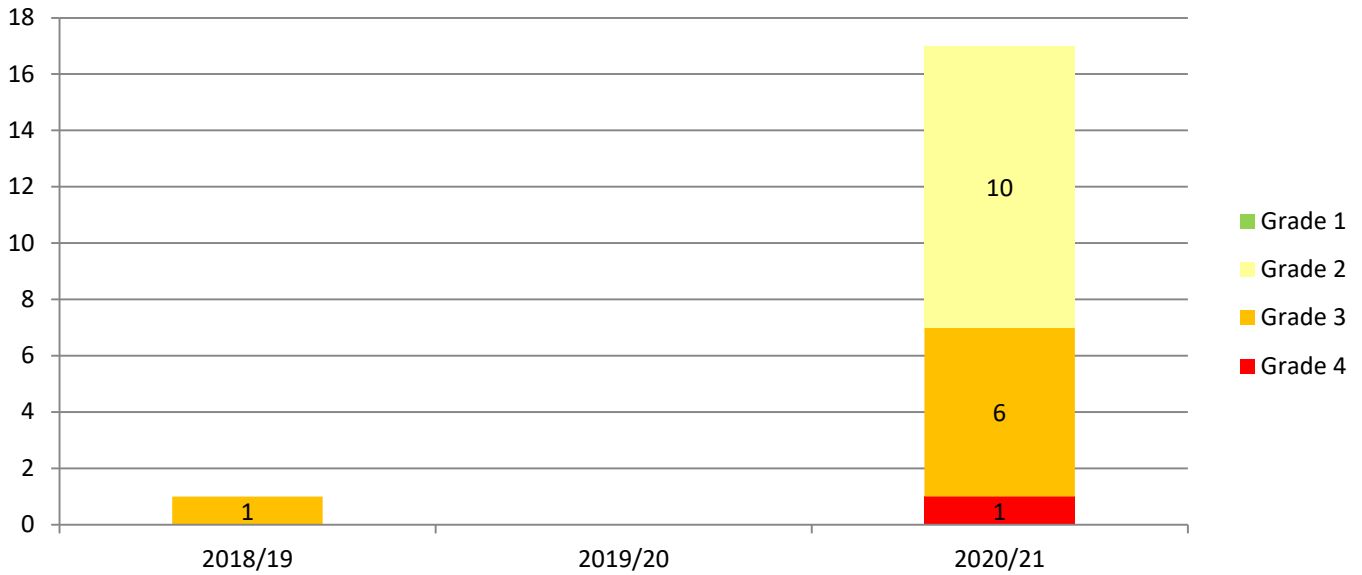


Status by Grading

Of the 18 actions closed, or accepted as closed pending evidence this quarter, the majority (shown in green) were moderate risk (Grade 2). Of the 4 overdue actions, 2 are Grade 3 and 2 are Grade 2 (higher and moderate risk exposure, respectively). This indicates that management attention is generally being appropriately directed towards the areas of higher risk exposure, as opposed to being concentrated on lower risk recommendations.

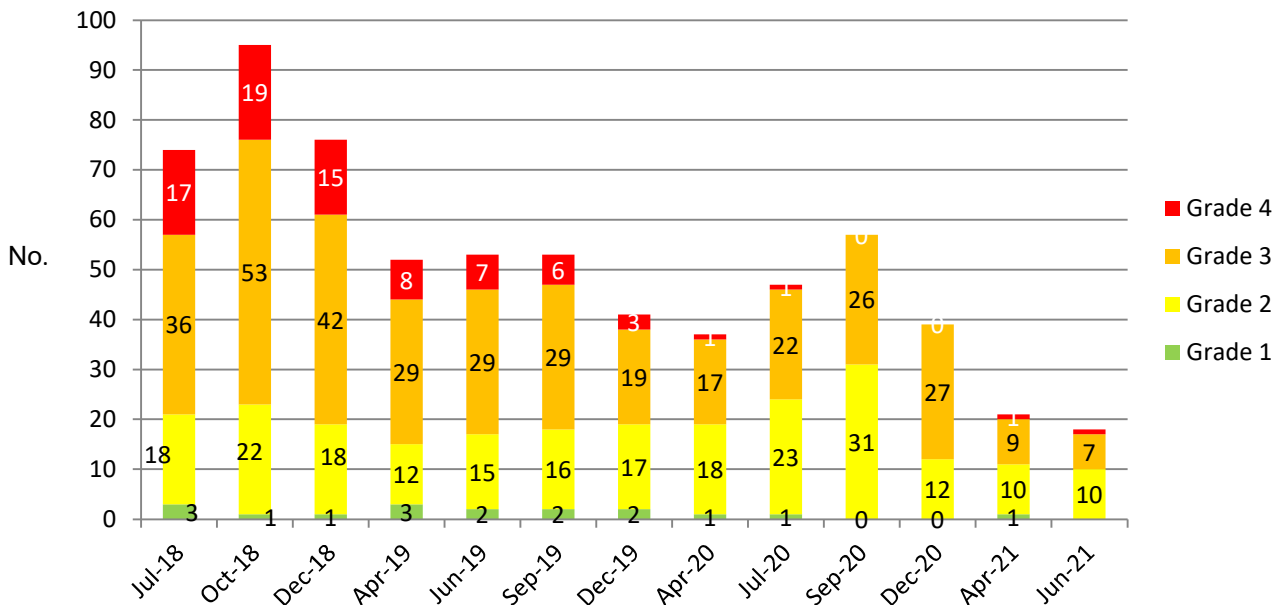
Age and grade of open actions

The chart below shows the number and grade of open actions categorised by the year in which the actions were raised:



Movement in Audit Actions

The graph below prioritises the outstanding actions by grade, as reported in our follow up reports since July 2018.



Appendix 2 sets out the current status of actions classed as “partially complete” or “incomplete” based on updates provided by management.

Appendix 1: Action status by report

Report title	Date of Issue	Audit Sponsor	Total report actions	Completed in previous quarters	Open in Qtr 1	Breakdown of Outstanding actions			
						Complete or no longer applicable	In Progress	Incomplete	Not Yet Due
SPA/PS/Forensics Joint Working	Jun 19	SPA CO, PS Deputy CO, Director of Forensics	3	2	1	-	1	-	-
2018-19 Sub Total			3	2	1	-	1	-	-
Data Protection	Jun 20	ACC Professionalism and Assurance Interim Chief Executive	17	11	6	3	2	-	1
Staff Wellbeing	Sept 20	Director of People and Development	11	8	3	3	-	-	-
Benefits Realisation and Efficiency Targets	Oct 20	Chief Digital Information Officer	11	3	8	4	-	-	4
Management Response to COVID-19	Oct 20	Deputy Chief Officer	3	2	1	1	-	-	-
Forensic Case Management	Nov 20	Director of SPA Forensic Services	3	1	2	1	1	-	-
Performance Management	Jan 21	Director of Strategy and Analysis	7	-	7	-	-	-	7
Payroll	Feb 21	Chief Financial Officer	2	-	2	2	-	-	-
Non-Pay Expenditure Follow Up	Mar 21	Chief Financial Officer	2	-	2	1	-	-	1
Home Working Security	Mar 21	SPA CO, PS Deputy CO, Director of Forensics	4	-	4	3	-	-	1
2020-21 Sub Total			60	25	35	18	3	-	14
TOTAL			63	27	36	18	4	-	14

Appendix 2: Summary of actions past their current due date

Report/Action	Recommendation	Action Owner	Grade	Original timescale	Revised timescale	Update 2021/22 Q1 Follow Up	Status
2018/19 Reviews							
SPA/PS/Forensics Joint Working	2.1 Corporate Services Board	SPA CEO	3	30/09/2019	31/08/2021	SPA will attend the FS Corporate Services Board in, at which Police Scotland report service back performance, in July, with the consideration of using this forum to monitor service back for SPA Corporate in parallel to service back for FS	In Progress
2020/21 Reviews							
Data Protection (SPA)	4.1 Monitoring of compliance with policies and procedures	SPA CEO	3	31/03/2021	30/09/2021	Recruitment is ongoing for 1 x Information Management Officer. The vacancy has been advertised, and potential candidates have now to be shortlisted. Interviews are expected to take place in the coming weeks.	In Progress
Data Protection (SPA)	7.1 Clarity of decisions taken to inform retention periods within the retention schedule	Records Manager	2	31/03/2021	30/09/2021	A meeting has been scheduled with the Police Scotland records manager to review, and an update will be provided. This will take account of action to address a similar recommendation owned by Police Scotland.	In Progress

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Report/Action	Recommendation	Action Owner	Grade	Original timescale	Revised timescale	Update 2021/22 Q1 Follow Up	Status
Forensic Case Management	The Forensic Service should ensure that the setting of service standards and expected timescales are addressed in the revised MoU. The MoU should specify the service standards required in enough detail that these can be seen to be consistent with the business rules applied by the Forensic Service and effectively monitored. If greater flexibility is required, the MoU could specify a process by which service standards are agreed and reviewed, to allow for these to be revisited without revising the MoU as a whole.	Director of Forensic Services	2	30/04/2021	30/09/2021	Development of the MoU remains ongoing. This will be presented to the Forensics Services Committee for approval, and thereafter an update is to follow to ARAC.	In Progress

Appendix 3: Audit Risk Categorisations

Management action grades

4	•Very high risk exposure - major concerns requiring immediate senior attention that create fundamental risks within the organisation.
3	•High risk exposure - absence / failure of key controls that create significant risks within the organisation.
2	•Moderate risk exposure - controls are not working effectively and efficiently and may create moderate risks within the organisation.
1	•Limited risk exposure - controls are working effectively, but could be strengthened to prevent the creation of minor risks or address general house-keeping issues.

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