

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

**PURPOSE**

This paper presents our progress report against the Annual Internal Audit Plan.

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

The paper is submitted for discussion.

## **1. BACKGROUND**

- 1.1 The Progress Report provides the Audit Committee with a summary of internal audit activity since its last meeting and confirms the reviews planned for the coming quarter, identifying any changes to the original annual plan.

## **2. FURTHER DETAIL ON THE REPORT TOPIC**

- 2.1 In the latest period to June 2021 we have completed the following audits, final reports of which are included under separate agenda items:

- G.4 Q4 Follow Up

## **3 FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications arising as a direct result of this report.

## **4 PERSONNEL IMPLICATIONS**

- 4.1 There are no personnel implications associated with this report.

## **5 LEGAL IMPLICATIONS**

- 5.1 There are no legal implications associated with this report.

## **6 REPUTATIONAL IMPLICATIONS**

- 6.1 There are no reputational implications arising from with report.

## **7 SOCIAL IMPLICATIONS**

- 7.1 There are no social implications directly associated with this report.

## **8 COMMUNITY IMPACT**

- 8.1 There are no community impact implications directly associated with this report.

## 9 EQUALITIES IMPLICATIONS

9.1 There are no equalities implications directly associated with this report.

## 10 ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications associated with this report.

### **RECOMMENDATIONS**

Members are requested to discuss the report.



**Scottish Police Authority**  
**Internal Audit**  
**Progress Report**  
July 2021





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# **Scottish Police Authority**

## **Internal Audit Progress Report**

Summary	1
Appendix 1 – 2021/22 audit plan progress	3
Appendix 2 – Additional Work	5
Appendix 3 – Progress against KPIs	6

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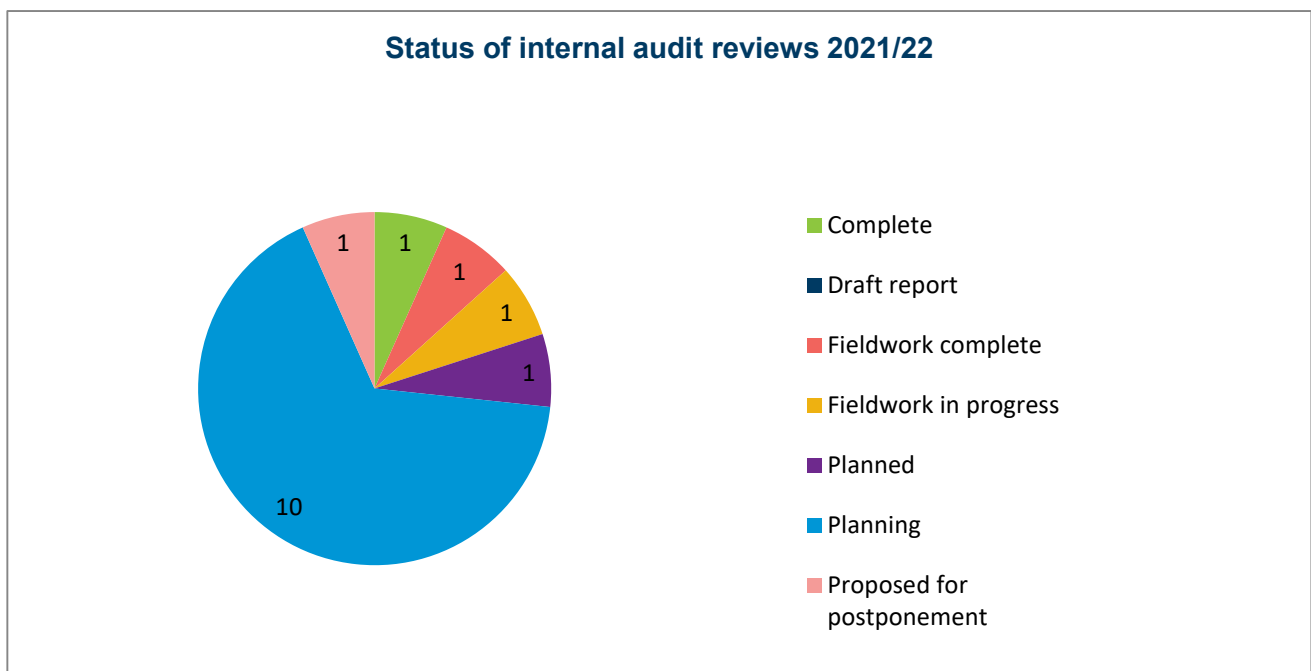
# Summary

This paper provides the Audit, Risk, and Assurance Committee with a summary of internal audit activity since its last meeting and confirms the reviews planned for the coming quarter, identifying any changes to the annual plan.

## Progress against annual audit plan

In the latest period to July 2021, we have completed the following audits, final reports of which are included under separate agenda items:

- G.4 Q1 Follow Up



## Plan for next quarter

The following reports are due to be presented to the September 2021 Audit, Risk, and Assurance Committee:

- C.2 Estates Management
- C.11 Environmental Impact
- G.1 Legal Claims Handling
- G.3 Data Quality and Integrity
- G.4 Follow Up Q2

The Review B.4 Equality and Diversity was originally proposed for presentation to the September committee. In advance of the commencement of scoping discussions in relation to this review, we had been informed that there was some potential overlap with HMICS' review "*Thematic Inspection of Police Scotland Training and Development – Phase 2*" due to the consideration of equalities within the scope of the review. As a result, we had planned to undertake the internal audit review of Equality and Diversity following the expected completion of this review which was scheduled to report in July 2021. SPA, Police Scotland and HMICS confirmed that the review is ongoing with reporting expected by late Autumn.



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Following discussion with SPA it has been agreed to postpone this review to enable us to effectively scope the work appropriately factoring in the outcome of the work of HMICS, with this likely to move to a future audit plan. We will discuss proposals for a replacement review with SPA management and seek confirmation of the proposed change from the ARAC following these discussions. During the development of the 2021/22 internal audit plan, we had identified budget setting and monitoring as a potential area of priority. We would welcome views of the committee on the priority of this review.

## Action for Audit, Risk, and Assurance Committee

The Audit, Risk, and Assurance Committee is asked to note the contents of this report and to approve the plan for the next quarter. We also invite any comments on the format or content of this report.

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# Appendix 1 – 2021/22 audit plan progress

Ref and Name of report	Audit Sponsor	Status	Quarter	Planned ARAC	Actual ARAC
A.1 Core financial systems	CFO	Planning	Q4	May 22	
A.3 Payroll	CFO Director of People and Development	Planning	Q3	Jan 22	
B.2 Staff Pay and Reward Modernisation (SPRM)	Director of People and Development	Planning	Q4	May 22	
B.4 Equality and Diversity	Director of People and Development ACC Partnership & Prevention	TBC as postponed	-	-	
C.2 Estates Management	CFO Head of Estates	Planned	Q2	Sept 21	
C.5 Health and Safety	DCC Professionalism Head of Health and Safety	Planning	Q4	May 22	
C.9 Strategic Planning	Director of Strategy and Analysis Head of Strategy and Innovation	Planning	Q3	Jan 22	
C.11 Environmental Impact	CFO CDO Staff Officer	Fieldwork Complete	Q1	Sept 21	
D.3 ICT Service Delivery	CDIO Head of Service Management	Planning	Q4	May 22	

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Ref and Name of report	Audit Sponsor	Status	Quarter	Planned ARAC	Actual ARAC
G.1 Legal Claims Handling	DCC Professionalism Head of Legal Services	Fieldwork in Progress	Q1	Sep 21	
G.3 Data Quality and Integrity	ACC Professionalism & Assurance CDO	Planning	Q2	Sep 21	
G.4 Follow up Q1	N/A	Complete	Q1	Jul 21	Jul 21
G.4 Follow up Q2	N/A	Planning	Q2	Sept 21	
G.4 Follow up Q3	N/A	Planning	Q3	Jan 22	
G.4 Follow up Q4	N/a	Planning	Q4	May 22	

Key:	Description
<b>Complete</b>	Audit work complete and report has been agreed and finalised
<b>Draft Report</b>	A draft report has been issued
<b>Fieldwork complete</b>	The audit work is complete but the draft report has not yet been issued.
<b>Fieldwork in progress</b>	The audit work is in progress.
<b>Planned</b>	The scope and timing of the audit has been agreed with management
<b>Planning</b>	The scope and/or timing of the audit has yet to be agreed with management

## Appendix 2 – Additional Work

The Audit Committee is responsible for the appointment of Azets as Internal Auditors and oversees the delivery of the Internal Audit Plan.

Police Scotland are able to independently commission Azets to carry out additional consultancy work, where this does not affect the internal audit plan and the cost is met from the relevant Police Scotland budget.

In accordance with the Protocol agreed between Azets and the SPA at the September 2020 meeting of the ARAC, a summary of all such work carried out by Azets will be provided to the ARAC on a quarterly basis.

### Work billed to date

The following is a summary of work undertaken and delivered since the last update presented to the committee in May 2021.

Description	Instructed by	Fees since last update (exc. VAT)
COP26 Assurance	James Gray, CFO	£7,273

## Appendix 3 – Progress against KPIs

KPI description	Status	Comments
1. The Annual and Strategic Internal Audit plans are presented to and approved by the Audit Committee prior to the start of the audit year.	GREEN	The 2021/22 Internal Audit Plan was approved by the SPA Board at the March 2021 meeting.
2. 90% of audit input is provided by the core team and continuity of staff is maintained year on year.	GREEN	
3. Draft reports are issued within 15 working days of completing fieldwork.	N/A	No draft reports have been issued so far in the period 2021/22.
4. Management responses are received within 15 working days and final report issued within 10 working days.	N/A	
5. At least 90% of the audit recommendations we make are agreed with and accepted by management.	N/A	No recommendations have been made so far in the period 2021/22.
6. At least 75% of Audit Committee meetings are attended by an Internal Audit Partner.	GREEN	
7. The annual internal audit plan is fully delivered within agreed cost and time parameters.	GREEN	All changes to the plan have been agreed with the Audit, Risk and Assurance Committee.
8. The annual internal audit report and opinion is presented to and approved by the Audit Committee at the first meeting after the year-end each year.	GREEN	The Annual Report for 2020/21 was presented to the May 2021 ARAC meeting.
9. All internal audit outputs are finalised and submitted to the Committee Secretary at least 10 working days before the Audit Committee meeting to allow time for senior management review.	GREEN	All papers submitted in line with agreed timescales.
10. Members of senior management and the Audit Committee are invited to participate in the firm's client satisfaction survey arrangements.	N/A	Not yet due.

### Key

<b>RED</b>	More than 15% away from target
<b>AMBER</b>	Within 15% of target
<b>GREEN</b>	Achieved

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