

Meeting	Audit, Risk and Assurance Committee
Date	5 May 2021
Location	By video conference
Title of Paper	Internal Audit Progress Report
Presented By	Gary Devlin, Partner, Azets
Recommendation to Members	For Discussion
Appendix Attached	Internal Audit Progress Report

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 May 2021 we have completed the following audits, final reports of which are included under separate agenda items:
- A.5 Payroll
 - A.6 Non-Pay Expenditure Follow Up
 - C.1 Performance Management
 - C.9 Home Working Security
 - G.4 Q4 Follow Up
 - Annual Internal Audit Report

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 discussion the report.



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



Scottish Police Authority

Internal Audit Progress Report

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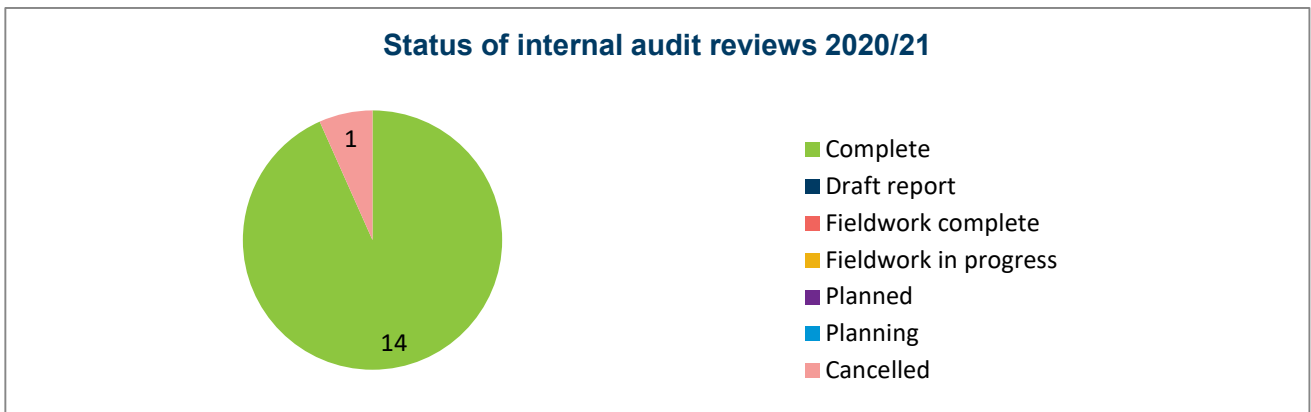
Summary

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 May 2021, we have completed the following audits, final reports of which are included under separate agenda items:

- A.5 Payroll
- A.6 Non-Pay Expenditure Follow Up
- C.1 Performance Management
- C.9 Home Working Security
- G.4 Q4 Follow Up
- Annual Internal Audit Report



Plan for next quarter

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

- G.4 Q1 Follow Up (2020/21 Plan)

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 - 2020/21 audit plan progress

Ref and Name of report	Audit Sponsor	Status	Quarter	Planned ARAC	Actual ARAC
A.1 Core financial systems	James Gray, Chief Financial Officer	Complete	Q3	Jan 21	Jan 21
A.3 Benefits realisation and efficiency targets	Andrew Hendry, Chief Digital Information Officer	Complete	Q2	Jan 21	Jan 21
A.5 Payroll	James Gray, Chief Financial Officer	Complete	Q4	May 21	May 21
A.6 Non-Pay expenditure follow up	James Gray, Chief Financial Officer	Complete	Q4	May 21	May 21
B.5 Staff wellbeing	Jude Helliker, Director of People and Development	Complete	Q1	Sept 20	Sept 20
C.1 Performance management	Tom McMahon, Director of Business Integration	Complete	Q3	May 21	May 21
C.4 Corporate governance	Alan Speirs, ACC Professionalism and Assurance	Cancelled ¹	N/a	N/a	N/a
C.7 Forensics case management	Tom Nelson, Director of Forensic Services	Complete	Q3	May 21	May 21
C.8 Management Response to COVID-19 ²	David Page, Deputy Chief Officer	Complete	Q2	Jan 21	Jan 21

¹ Originally planned for Sept 20 ARAC but postponed by ARAC. To be replaced in 2020/21 plan with a review of Home Working Security

² Additional review requested by mgmt. and approved by ARAC

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Ref and Name of report	Audit Sponsor	Status	Quarter	Planned ARAC	Actual ARAC
C.9 Home Working Security ³	TBC Lynn Brown, Interim Chief Executive David Page, Deputy Chief Officer Tom Nelson, Director of Forensic Services	Complete	Q4	May 21	May 21
G.2 Data protection and retention	Lynn Brown, Interim Chief Executive Alan Speirs, ACC Professionalism and Assurance	Complete	Q1	Jul 20	Jul 20
G.4 Follow up Q1	N/A	Complete	Q1	Jul 20	Jul 20
G.4 Follow up Q2	N/A	Complete	Q2	Sept 20	Sept 20
G.4 Follow up Q3	N/A	Complete	Q3	Jan 21	Jan 21
G.4 Follow up Q4	N/a	Complete	Q4	May 21	May 21

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

³ Additional review, requested by ARAC to replace Corporate Governance
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Appendix 2 – 2021/22 audit plan

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	Planning	Q2	Sept 21	
C.2 Estates Management	CFO Head of Estates	Planning	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	Planning	Q1	tbc	
D.3 ICT Service Delivery	CDIO Head of Service Management	Planning	Q4	May 22	
G.1 Legal Claims Handling	DCC Professionalism Head of Legal Services	Planning	Q1	tbc	
G.3 Data Quality and Integrity	ACC Professionalism & Assurance CDO	Planning	Q2	Sept 21	

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Ref and Name of report	Audit Sponsor	Status	Quarter	Planned ARAC	Actual ARAC
G.4 Follow up Q1	N/A	Planning	Q1	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	

Appendix 3 – 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 throughout the period

The Audit, Risk, and Assurance Committee last received an update on additional work at its January 2021 meeting. This update includes all additional work billed for the period 2020/21.

Description	Instructed by	Total Fee (exc. VAT)
COP26 Assurance	James Gray, CFO	£29,371.72
External Review of Strategic Workforce Planning	James Gray, CFO	£15,000.00
Review of DDICT	James Gray, CFO	£40,000.00

Appendix 4 – Progress against KPI’s

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 2020/21 Internal Audit Plan was approved by the SPA Board at the March 2020 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.	GREEN	Draft reports have been issued, on average, within 13 days of fieldwork completion.
4. Management responses are received within 15 working days and final report issued within 10 working days.	RED	<p>Management responses for Benefits Realisation, Staff Wellbeing, Management Response to Covid-19, and Forensics Case Management were received late.</p> <p>Overall, Management responses were received 26 working days from the issue of draft reports, and final reports issued in an average of 4 days from receipt of management responses.</p>
5. At least 90% of the audit recommendations we make are agreed with and accepted by management.	GREEN	All recommendations have been accepted to date.
6. At least 75% of Audit Committee meetings are attended by an Internal Audit Partner.	GREEN	The IA Partner has attended all ARAC meetings this year.
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.	N/A	The 20/21 Annual Report is presented to the May 21 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

RED	More than 15% away from target
AMBER	Within 15% of target
GREEN	Achieved

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