

Meeting	Audit Committee Public Session
Date	6 May 2020
Location	By Teleconference
Title of Paper	Internal Audit Progress Report
Presented By	Gary Devlin, Partner, Scott-Moncrieff
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 April 2020 we have completed the following audits, final reports of which are included under separate agenda items: Strategic Workforce Planning, Transformational Change, Benefits Lifecycle, Relocation Costs, Productions, Q4 Follow up
- 2.2 We have also issued our draft report for our review of Non-Pay Expenditure and have commenced the fieldwork for our reviews of Demand and Productivity and Cyber Security. The receipt of Non-Pay Expenditure (NPE) management responses and the completion of the Demand and Productivity audit have been delayed considering Police Scotland's COVID19 response:
- 2.3 Procurement has been assigned responsibility for procuring PPE for frontline staff, as such, the department has had limited procurement resource available to review and comment on our draft NPE report. Procurement has advised that that it will support us in finalising our audit report over the coming weeks.
- 2.4 The Demand and Productivity Unit (DPU) is responsible for Police Scotland's analytical activity to co-ordinate organisational and operational responses to the COVID19 situation. As a result, there has been limited DPU resource available to support the completion of our work. The DPU has advised that it will now be able to facilitate the remainder of the audit over the coming months, albeit resource may be sparsely available to do so.
- 2.5 We will continue to work with Procurement and the DPU to complete our outstanding work and finalise our reports with a view of presenting our findings at the July 2020 Audit Committee.

- 2.6 Finally, our review of Data Protection, included within the 2020/21 Internal Audit plan, has been planned and the report will be presented at the July 2020 Audit Committee.
- 2.7 In these unprecedented times, the uncertainty of COVID19 and its potential impact on operational activities will be a significant challenge for both the SPA and Police Scotland, and we want to offer our assistance and support where it is needed. We understand that we may need to provide you with greater flexibility in our approach to the 2020/21 Audit Plan, to support the Committee in managing the uncertainty of the current pandemic and the new emerging business risk this has created. Please let us know if there are any ways Scott Moncrieff can support and assist the SPA and Police Scotland during the management and recovery of COVID19.

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 Report Progress Report

May 2020



Scott-Moncrieff
business advisers and accountants

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Scottish Police Authority

Internal Audit Report

Progress Report

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Summary of Progress

This paper 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.

Progress against annual audit plan

In the latest period to April 2020 we have completed the following audits, final reports of which are included under separate agenda items:

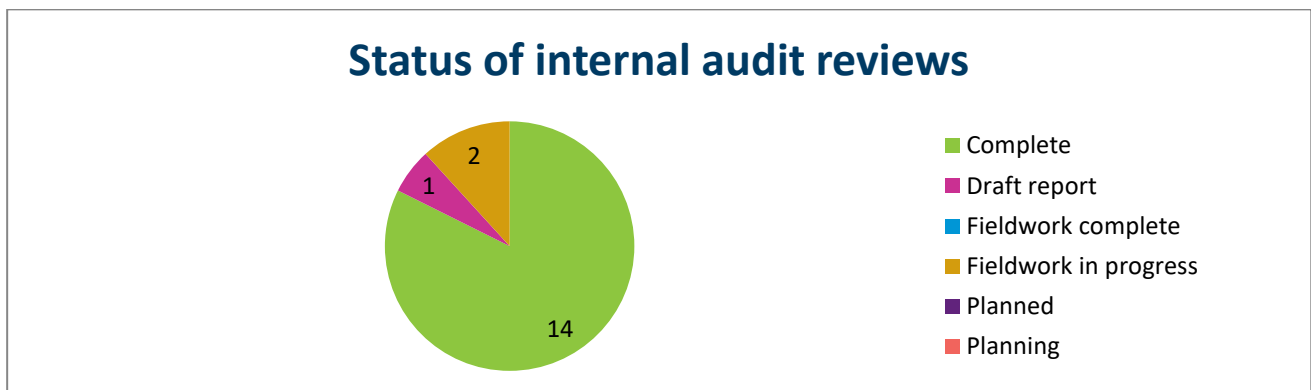
- Strategic Workforce Planning
- Transformational Change: Benefits Lifecycle
- Relocation Costs
- Productions
- Q4 Follow up

We have also issued our draft report for our review of Non-Pay Expenditure and have commenced the fieldwork for our reviews of Demand and Productivity and Cyber Security. The receipt of Non-Pay Expenditure (NPE) management responses and the completion of the Demand and Productivity audit have been delayed considering Police Scotland's COVID19 response:

- Procurement has been assigned responsibility for procuring PPE for frontline staff, as such, the department has had limited procurement resource available to review and comment on our draft NPE report. Procurement has advised that that it will support us in finalising our audit report over the coming weeks; and
- The Demand and Productivity Unit (DPU) is responsible for Police Scotland's analytical activity to co-ordinate organisational and operational responses to the COVID19 situation. As a result, there has been limited DPU resource available to support the completion of our work. The DPU has advised that it will now be able to facilitate the remainder of the audit over the coming months, albeit resource may be sparsely available to do so.

We will continue to work with Procurement and the DPU to complete our outstanding work and finalise our reports with a view of presenting our findings at the July 2020 Audit Committee.

Finally, our review of Data Protection, included within the 2020/21 Internal Audit plan, has been planned and the report will be presented at the July 2020 Audit Committee.



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In these unprecedented times, the uncertainty of COVID19 and its potential impact on operational activities will be a significant challenge for both the SPA and Police Scotland, and we want to offer our assistance and support where it is needed. We understand that we may need to provide you with greater flexibility in our approach to the 2020/21 Audit Plan, to support the Committee in managing the uncertainty of the current pandemic and the new emerging business risks this has created.

Please let us know if there are any ways Scott Moncrieff can support and assist the SPA and Police Scotland during the management and recovery of COVID19.

Plan for next quarter

We are planning to present the following reports to the July 2020 Audit Committee:

- Non-Pay Expenditure
- Demand and Productivity
- Cyber Security
- Annual Report
- Data Protection (20/21 IA Plan)
- Q1 Follow up

Action for Audit Committee

The Audit Committee is asked to note the contents of this report and to approve the assignment plans for the next quarter.

We also invite any comments on the format or content of this report. Contact details are as follows:

Gary Devlin, Relationship Partner	gary.devlin@scott-moncrieff.com	0131 473 3500
Elizabeth Young, Head of Internal Audit	elizabeth.young@scott-moncrieff.com	0141 567 4500
Paul Kelly, Director – Business Technology & Consulting	paul.kelly@scott-moncrieff.com	0141 567 4500
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Appendix 1 – Progress against 2019/20 internal audit plan

Ref and Name of report	Audit Sponsor	Status	Quarter	Planned Audit C'ttee	Actual Audit C'ttee
A.3 Payroll	Chief Financial Officer	Complete	Q3	Jan 2020	Jan 2020
A.5 Non-Pay Expenditure	Chief Financial Officer	Draft Report	Q4	May 2020	May 2020
B.9 Assurance Mapping	Chief Executive ACC Speirs	Complete	Various	Various	N/A
C.2 Strategic Workforce Planning	Deputy Chief Officer	Complete	Q4	Jul 2020	May 2020
C.3 Demand and Productivity	CSI Faroque Hussain	Fieldwork in progress	Q4	Jul 2020	
C.9b Transformational Change: TCSS Business Plan	Deputy Chief Officer	Complete	Q2	N/A	N/A
C.9a Transformational Change: Benefits Lifecycle	Deputy Chief Officer	Complete	Q3	May 2020	May 2020
C.11 Stock Management	Chief Financial Officer	Complete	Q2	Sep 2019	Sep 2019
C.12 Productions	ACC Kenny MacDonald	Complete	Q3	Jan 2020	May 2020
C.15 Relocation costs	Chief Financial Officer	Complete	Q4	May 2020	May 2020
D.1 General Computer Controls	Interim Director of ICT Chief Financial Officer	Complete	Q2	Sep 2019	Jan 2020
D.5 Cyber Security	Interim Director of ICT	Fieldwork in progress	Q4	July 2020	
E.4 Fraud Reporting	Chief Executive ACC Speirs	Complete	Q1	Sep 2019	July 2019
E.1 Follow up Q1	N/A	Complete	Q1	Jul 2019	Jul 2019
E.1 Follow up Q2	N/A	Complete	Q2	Sep 2019	Sept 2019

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Ref and Name of report	Audit Sponsor	Status	Quarter	Planned Audit C'ttee	Actual Audit C'ttee
E.1 Follow up Q3	N/A	Complete	Q3	Jan 2020	Jan 2020
E.1 Follow up Q4	N/A	Complete	Q4	May 2020	May 2020
Annual internal audit report	N/A	N/A	Post year end	Jul 2020	

Key:	
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 have been agreed with management
Planning	The scope of the audit has yet to be agreed with management

Appendix 2 – 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 Internal Audit Plan was approved by the SPA Board at the March 2019 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.	AMBER	Our payroll and Productions reports were issued later than agreed.
4. Management responses are received within 15 working days and final report issued within 10 working days.	AMBER	PS submitted payroll report responses 3 days later than requested and there was a delay receiving responses for our general computer controls report.
5. At least 90% of the audit recommendations we make are agreed with and accepted by management.	GREEN	All recommendations accepted to date
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 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 Annual Report will be presented to the July 2020 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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