

**Agenda item:**

## **Warwickshire Joint Audit and Standards Committee Report Summary**

**Meeting Date: 27<sup>th</sup> March 2024**

**Subject: Internal Audit Update Report**

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### **Purpose of the report:**

This report summarises progress towards completion of the agreed Internal Audit plan 2023-24 and provides an update on the implementation of agreed recommendations.

### **Recommendation:**

The Committee is requested to note the report.

### **Background:**

Paragraphs 13-20 of the JASC Terms of Reference, set out the Committee's responsibilities in relation to Internal Audit. In particular this includes consideration of the progress of internal audit activity against the audit plan and the level of assurance it can give over corporate governance arrangements.

### **Executive summary:**

Since the January 2024 update, work has continued to deliver the agreed audit plan for 2023/24 and the plan remains on track.

Analysis of the actions arising from Internal Audit work shows a generally positive position. The updates show that progress is being made on addressing most actions, although implementation in some cases is slower than anticipated.

## **Internal Audit Update Report March 2024**

### **Report by the Head of Internal Audit**

#### **Introduction**

1. This report summarises the audit work progress since the January 2024 update report. The key outcome of each audit is an overall opinion on the level of assurance provided by the controls within the area audited. Audits are given one of four levels depending on the strength of controls and the operation of those controls. The four categories ranging from the lowest to highest are Limited, Moderate, Substantial and Full. The opinion reflects both the design of the control environment and the operation of controls.

#### **Work Progress 2023-24 Plan**

Appendix A provides summaries of the audits completed since the last update in January 2024. These are:

- Recruitment and Retention

Appendix B shows progress against the 2023-24 audit plan and we are in a good position for delivery of the plan within the year. Progress against the plan remains on track with planning and fieldwork progressing well for the following audits:

- Fleet Management (Force)- draft report
- Key Financial Systems (Force) – draft report
- VFM practice review (Force) – Term of Reference stage

#### **Progress with Agreed Actions**

2. Responsibility for implementing agreed recommendations rests with the Chief Executive and Chief Constable who have implemented monitoring arrangements to establish progress on implementing audit recommendations. Analysis and Service Improvement (ASI) regularly ask managers for a status update and provide information for inclusion in this report, along with updates from the OPCC.

Appendix C summarises the results of the latest monitoring exercise for the Force and OPCC. The table shows all those audits that have recommendations which are still to be implemented. Based upon the target date agreed with management there are 7 recommendations overdue. There are 2 recommendations which are more than 6 months overdue, a reduction of 4 since the last update. It is important that the actions are tracked until implemented to ensure that the risks are mitigated as agreed.

**Appendix A: Summary of audits completed since previous report.**

Audit	Key findings	Opinion on level of assurance provided by controls	Number of recommendations		
			Fundamental	Significant	Merits Attention
Recruitment and Retention	Policies and procedures are in place on the Force intranet but there is no formal schedule to monitor and flag when policies should be reviewed. The Extension to Service Policy was identified as overdue for review and the Promotion and Selection Policy did not have a future review date.	Substantial	0	0	1

### Appendix B: Status of Internal Audit Workplan 2023/24 as at 01/03/2024

Original Plan Topic	Original Planned days	Actual Days to 1/3/2024	Current Status	Assurance level	Notes
OPCC AUDITS					
Business Continuity (OPCC and Force)	20	20	Completed	Moderate	
Award and management of grants	14	14	Completed	Substantial	
Ministry of Justice - independent sign off of return	2	2	Completed	N/A	
FORCE AUDITS					
Key financial systems	22	15	In progress		Q3/4 cyclical review of key systems, (detail to be agreed, but likely to include budget management and payroll)
Procurement and contract management	25	25	Completed	Substantial	
VFM Practice review	15	5	Planning		Q4
Fleet management	25	23	In progress		Q3
Recruitment and retention	22	22	Completed	Substantial	
Business Continuity (OPCC and Force)					Combined audit (see OPCC above)
Management, committee reporting etc.	25	21			
<b>TOTAL</b>	<b>170</b>	<b>144</b>			

### Appendix C: Audits with recommendations outstanding

	Number of Recommendations								
Audit	Made	Risk Accepted	Redundant	Implemented	Not yet due to be implemented	Overdue (Months)			Response Rec'd Y/N
						0 to 3	3 to 6	Over 6	
FORCE									
Police Fleet (2018)	9			8				1(M)	Y
Estates	6			5				1(M)	Y
Information Governance	9			8		1			Y
Firearms Licensing	2						2		Y
Business Continuity	8				8				Y
	34	0	0	21	8	1	2	2	
PCC Office									
Information Governance	4			3			1		Y
Award and Management of Grants	6			5		1			Y
	10	0	0	8	0	1	1	0	