



<b>Meeting</b>	<b>Audit, Risk and Assurance Committee</b>
<b>Date</b>	<b>21 May 2025</b>
<b>Location</b>	<b>Online</b>
<b>Title of Paper</b>	<b>Internal audit annual report</b>
<b>Presented By</b>	<b>John McNellis</b> <b>Head of Finance, Audit and Risk</b>  <b>Claire Robertson, BDO</b>
<b>Recommendation to Members</b>	<b>For discussion</b>
<b>Appendix Attached</b>	<b>Yes – Appendix A</b> <b>Internal audit annual report</b> <b>(2024/25)</b>

## PURPOSE

The internal audit annual report summarises the conclusions and key findings from the internal audit work undertaken during the year ended 31 March 2025, including the overall opinion on the internal control systems within Scottish Police Authority, Police Scotland and Forensic Services.

*The paper is presented in line with the corporate governance framework of the Scottish Police Authority (SPA) and Audit, Risk and Assurance Committee (ARAC) terms of reference and is submitted for consultation.*

## 1 BACKGROUND

- 1.1. The Scottish Public Finance Manual (SPFM) requires internal audit to provide an annual report to the Accountable Officer and Audit Committee that provides an opinion on the adequacy and effectiveness of the governance, risk management and internal control system of the organisation.
- 1.2. The internal audit plan for 2024/25 was approved by the ARAC in February 2024.
- 1.3. The annual report forms part of the assurance required by the Accountable Officer to enable them to sign the Governance Statement to be provided alongside the accounts for which they are directly responsible.

## 2 FURTHER DETAIL

- 2.1 The annual report summarises internal audits conclusions and key findings from their work over the financial year.
- 2.2 **Appendix A** provides the full annual report. It includes:
  - the scope and responsibilities between management and internal audit;
  - the coverage achieved in the year;
  - key themes from their work
  - confirmation of independence;
  - statement of conformance with Public Sector Internal Audit Standards;
  - KPI's / internal quality assurance; and
  - overall internal audit opinion for the year.
- 2.3 Overall, internal audit concluded:
  - In 7 of the 11 audits performed, BDO provided reasonable assurance.
  - For the 4 audits, BDO found that further work was required to ensure that there are robust controls in place. As such, BDO are not able to provide reasonable assurance but limited assurance.

### **3 FINANCIAL IMPLICATIONS**

- 3.1 The cost of providing the internal audit service is included in the 2024/25 budget. Some reviews have also considered financial implications, in particular the reviews of core financial systems and budget setting/ investment prioritisation.

### **4 PERSONNEL IMPLICATIONS**

- 4.1 There are no specific personnel implications associated with this paper, however, some reviews have considered personnel implication and in particular the reviews on: ill health/ injury pensions and grievance process.
- 4.2 The internal audit service is provided by an external provider, BDO.

### **5 LEGAL IMPLICATIONS**

- 5.1 There are no specific legal implications associated with this paper. Reviews will consider applicable legal implications.

### **6 REPUTATIONAL IMPLICATIONS**

- 6.1 There are no specific reputational implications associated with this paper. The objective of the internal audit service is to provide an independent opinion on the organisation and the effectiveness of its operations. Its reviews aim to help the organisation promote improved standards of governance, better management, decision making and more effective use of funds. This aids transparency and contributes toward confidence in the Authority.

### **7 SOCIAL IMPLICATIONS**

- 7.1. There are no specific social implications associated with this paper, however, reviews may have considered this aspect

### **8 COMMUNITY IMPACT**

- 8.1 There are no specific community impact implications associated with this paper, however, reviews may have considered this aspect.

## 9 EQUALITIES IMPLICATIONS

- 9.1. There are no specific equalities implications associated with this paper, however, reviews may have considered this aspect.

## 10 ENVIRONMENT IMPLICATIONS

- 10.1. There are no specific environmental implications associated with this paper, however, reviews may have considered this aspect.

### RECOMMENDATIONS

Members are requested to note the internal audit annual report.

SCOTTISH POLICE AUTHORITY

# Internal Audit Annual Report 2024-25

May 2025



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Restrictions of use

The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.



# INTRODUCTION

## INTERNAL AUDIT AT SCOTTISH POLICE AUTHORITY

In our capacity as Internal Auditors for the Scottish Police Authority (SPA), we aim to provide the Audit & Risk Assurance Committee (ARAC) and senior management with assurance regarding the adequacy of internal control, risk management, and governance frameworks.

The role of Internal Auditors is to provide independent and objective assurance, as well as consulting services, with the aim of enhancing and improving the operations of an organisation. Our role at SPA is also aimed at helping management to improve risk management, governance and internal control mechanisms, so reducing the effects of any significant risks facing the organisation.

Our risk evaluations and tests are designed to ensure that controls are sound in terms of both design and operating effectiveness. Our conclusions are based on samples selected from the year's transactions to date. However, our conclusions should not be taken to mean that all transactions have been properly authorised and processed.

Responsibility for SPA's internal control arrangements remains fully with management, who should recognise that internal audit can only provide 'reasonable assurance' and cannot provide any guarantee against material errors, loss or fraud.

## CONTENT OF THE ANNUAL REPORT

The Internal Audit Annual Plan for 2024/25 was approved by the ARAC at its February 2024 meeting. This report summarises the findings from the internal audit activities conducted during 2024/25 and provides an overview of our performance.

## ANNUAL OPINION

We set out on page 5 our annual internal audit assurance opinion. This is based on historical information and the projection of any information or conclusions contained in our assurance statement to any future periods is subject to the risk that changes may alter its validity.

# INTERNAL AUDIT APPROACH

## OUR APPROACH TO INTERNAL AUDIT

We have examined the control policies and procedures employed by the SPA to manage identified risks within the business areas designated by management, as specified in the 2024/25 Annual Internal Audit Plan approved by the ARAC. This report pertains solely to the reviewed business areas and risks during the year and does not extend to other operations of the organisation.

Our approach, as set out in BDO's Internal Audit Manual, is to help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Our approach complies with best professional practice, in particular, Public Sector Internal Audit Standards and the Chartered Institute of Internal Auditors' Position Statement on Risk Based Internal Auditing, the Chartered Institute of Internal Auditors' Position Statement on Risk Based Internal Auditing, and the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF) Code of Ethics and International Standards.

The global standards set by the Institute of Internal Auditors (IIA) mandate that every internal audit function seeking compliance must undergo an external review every five years. At BDO, we recognise the importance of independent quality assurance and therefore subject our Risk Advisory Services (RAS) team to an External Quality Assurance (EQA) review every five years, with the most recent review conducted in April 2021. We engaged the Chartered Institute of Internal Auditors (CIIA) to perform the EQA. Their conclusion was that BDO generally conforms to the International Professional Practices Framework (IPPF), which is the highest rating awarded by the CIIA.

RAS is dedicated to continuous improvement and has agreed on a Quality Assurance Improvement Programme with the CIIA to address the recommendations and suggestions identified during the EQA process.

## COVERAGE - INTERNAL AUDIT PLAN 2024/25

In completing the Internal Audit Plan for 2024/25, we reviewed and evaluated the SPA's processes and controls in the following areas:

- Your Leadership Matters (YLM)
- Forensic Performance Management
- Core Operational Solutions (COS)
- Risk Management review
- Equality and Human Rights Impact Assessment (EqHRIA)
- Implementation of Change Projects and Realisation of Change Benefits
- Estates and Asset Management
- Grant Management Process
- Cash and Drug Production and High Value Store
- ICT
- Health and Safety - Transportation of Dangerous Goods

We discharged our role, as detailed within the audit planning documents agreed with the SPA management for each review, by:

- Considering the risks that have been identified by management as being associated with the processes under review;
- Reviewing the written policies and procedures and holding discussions with management to identify process controls;
- Evaluating the risk management activities and controls established by management to address the risks it is seeking to manage;
- Performing walkthrough tests to determine whether the expected risk management activities and controls are in place; and
- Undertaking compliance tests (where appropriate) to determine either that the risk management activities and controls have operated as expected during the period.



# ANNUAL STATEMENT OF ASSURANCE

## Basis of Opinion

As the internal auditors of Scottish Police Authority, Police Scotland and Forensic Services (the “Organisation”), we are required to provide the Board, via the ARAC, and the Senior Management Team with a view on the adequacy and effectiveness of the organisation’s risk management, governance and internal control processes.

In giving our view, it should be noted that assurance can never be absolute. The Internal Audit service provides the organisation with reasonable assurance on whether there are any major weaknesses in the internal control system for the areas reviewed during the period. The statement of assurance is not a guarantee that all aspects of the internal control system are adequate and effective. The statement of assurance should confirm that, based on the evidence of the audits conducted, there are no signs of material weakness in the framework of control.

In assessing the level of assurance to be given, we have taken into account:

- All internal audit reviews undertaken by BDO LLP during 2024- 2025;
- Any follow-up action taken in respect of audits from previous periods for these audit areas;
- Whether any significant recommendations have not been accepted by management and the consequent risks;
- The effects of any significant changes in the organisation’s objectives or systems;
- The requirements of the Public Sector Internal Audit Standards; and
- Any limitations which may have been placed on the scope of internal audit (no restrictions were placed on our work).

## Conclusion

In our view, based on the reviews undertaken during the period, and in the context of materiality:

- Regarding the **design of internal controls**; for 7 of the 11 audits performed the risk management activities and controls in the areas which we examined were found to be suitably designed to achieve the specific risk management, control and governance arrangements. However, for 4 reviews (Equality and Human Rights Impact Assessment (EqHRIA) / Implementation of Change Projects and Realisation of Change Benefits / Cash and Drug Production and High Value Store / H&S Transportation of Dangerous Goods); further work was required to ensure that there are robust controls in place.
- Regarding the **operational effectiveness of internal controls**, for 5 of the 11 audits performed, based on our verification reviews and sample testing, the risk management, control and governance arrangements in these areas were operating with sufficient effectiveness to provide reasonable, but not absolute assurance that the related risk management, control, value for money and governance objectives were achieved for the period under review. However, for 6 reviews (Forensic Performance Management / Equality and Human Rights Impact Assessment (EqHRIA) / Implementation of Change Projects and Realisation of Change Benefits / Grant Management Process / Cash and Drug Production and High Value Store / H&S Transportation of Dangerous Goods); we are not able to provide reasonable assurance based on our verification review and sample testing, that risk management, control and governance arrangements were designed and operating with sufficient effectiveness in these areas to provide reasonable assurance that the related risk management, control, value for money and governance objectives were achieved for the period under review.

# REVIEW OF 2024/25 WORK

## SUMMARY OF WORK PERFORMED

We set out below details of the 11 reviews completed as part of the Internal Audit Plan 2024/25. The completed reviews have been reported to the ARAC throughout the year, with consideration and scrutiny of management responses and timescales proposed. For the purpose of this annual report, we also set out below our summary assessment of the effectiveness of arrangements in each of the audit areas reviewed.

REPORTS ISSUED	FINDINGS RAISED			OVERALL REPORT CONCLUSIONS	
	HIGH	MEDIUM	LOW	DESIGN	EFFECTIVENESS
Your Leadership Matters (YLM)	-	6	-	Moderate	Moderate
Forensic Performance Management	-	5	-	Moderate	Limited
Core Operational Solutions (COS)	-	6	2	Moderate	Moderate
Risk Management review	-	1	4	Moderate	Moderate
Equality and Human Rights Impact Assessment (EqHRIA)	2	6	1	Limited	Limited
Implementation of Change Projects and Realisation of Change Benefits	2	5	1	Limited	Limited
Estates and Asset Management	-	2	2	Moderate	Moderate
Grant Management Process	2	3	1	Moderate	Limited
Cash and Drug Production and High Value Store	3	6	-	Limited	Limited
ICT	-	-	2	Substantial	Substantial
Health and Safety - Transportation of Dangerous Goods	3	4	-	Limited	Limited
TOTAL	12	44	13		

# REVIEW OF 2024/25 WORK

## RECOMMENDATIONS

To assist management in addressing our findings, we categorise our recommendations based on their priority level. The recommendations from the 11 completed audit assignments during the year amounted to a total of 123.

## SUMMARY OF RECOMMENDATIONS (SEE APPENDIX I)

SUMMARY OF RECOMMENDATIONS	
High	29
Medium	77
Low	17
Total number of recommendations: 123	

## REPORTING MECHANISMS AND PRACTICES

Our preliminary draft reports are submitted to the audit sponsor responsible for the area under review to obtain management responses. There is always an opportunity to discuss the draft report in detail, allowing any issues or concerns to be addressed with management prior to the finalisation of the reports.

Our standard procedure involves agreeing on the reports with management before presenting and discussing the matters arising at the subsequent ARAC meetings following the report finalisation.

## MANAGEMENT ACTION ON OUR RECOMMENDATIONS

Management have reviewed and commented on our reports. For the reports which have been finalised, management have agreed responses. The responses indicate that appropriate steps to implement our recommendations will be put in place.

## RELATIONSHIP WITH EXTERNAL AUDIT

All final reports are accessible to the external auditors through the ARAC papers upon request. Additionally, our files are available for external auditors who may wish to review working papers to place reliance on the work of internal audit.

## WORK OUTSIDE OF THE INTERNAL AUDIT PLAN

**H&S - Transportation of Dangerous Goods:** In addition to the approved internal audit plan, we were requested by the ARAC to undertake an internal audit review over the Transportation of Dangerous Goods.

**Scottish violence reduction unit grant review:** Delivery of this work involved providing assurance and advice over controls, directly to management, outside of the planned internal audit work. Internal Audit was able to leverage previous knowledge gained to effectively conduct the Grant Review audit planned for FY 24/25 IA. No independence threat was identified.

**Scrutinising legal charges:** The Special Enquiries Team reached out to BDO directly to ask for support in scrutinising legal costs. No-one from the internal audit team has been involved in the delivery of that work. No independence threat identified.

**Best Value support:** BDO provided project management resource to assist in best value work. The SME offered to the Best Value Team is not part of Internal Audit Team. No independence threat identified.

**Power BI dashboard:** To support the timely management of recommendations; BDO's in-house Digital team have been working with the SPA and Police Scotland colleagues in creating a Power BI dashboard.

# SUMMARY OF FOLLOW-UP

## FOLLOW UP

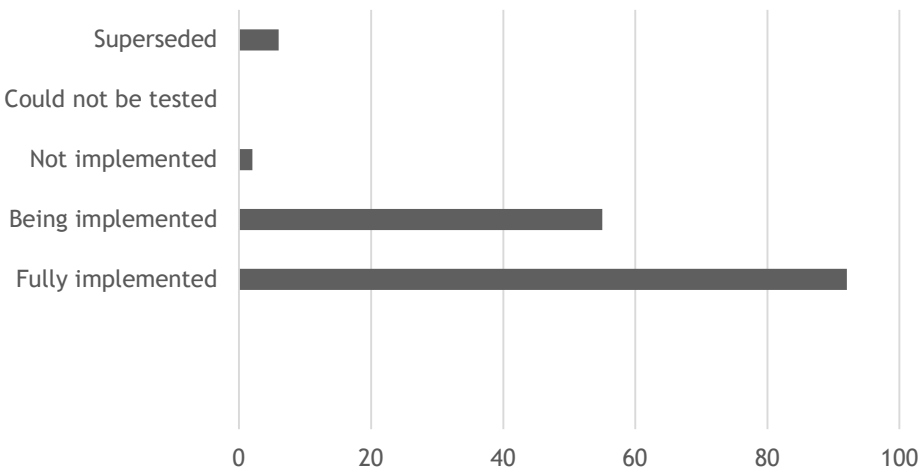
During the year we undertook independent exercises on a quarterly basis to assess the progress made by Scottish Police Authority in implementing internal audit recommendations made during the quarter.

Implementation of recommendations is a key determinant of our annual opinion. If recommendations are not implemented in a timely manner, then weaknesses in control and governance frameworks will remain in place. Furthermore, an unwillingness or inability to implement recommendations reflects poorly on management’s commitment to the maintenance of a robust control environment.

During the year to 31 March 2025, we followed up on a total of 155 recommendations as they fell due; these related to 26 audit areas. Of the 155 recommendations, 92 (59%) were categorised as fully implemented, 55 (35%) were categorised as being implemented (i.e. partially implemented), 2 (1%) were categorised as not implemented, and 6 (4%) were categorised as superseded. See the table overleaf for a detailed breakdown of the recommendation's status.

Continued focus is necessary to ensure the remaining outstanding recommendations are implemented within a reasonable timeframe.

Follow up Full Year - Implementation Status








# SUMMARY OF FOLLOW-UP

## STATUS OF RECOMMENDATIONS FOLLOWED UP IN FULL YEAR AS AT APRIL 2025

AUDIT AREAS	STATUS AT APRIL 2025					Total
	 Fully implemented	 Being implemented	 Not implemented	 Could not be tested	 Superseded	
ICT Service Delivery 2021/22	3 (1H, 2M)	2 (H)	-	-	-	5
Business Continuity Planning 2023/24	1 (M)	-	-	-	-	1
Core Financial Systems 2023/24	-	1 (L)	-	-	-	1
Ill Health Requirements & Injury 2023/24	8 (7M, 1L)	1 (M)	-	-	-	9
FMOR Project Review 2023/24	1 (H)	-	-	-	3 (1H, 2M)	4
Investment Prioritisation and Budget Setting	6 (2H, 4L)	1 (M)	-	-	-	7
Electronic Data Retention and iVPD 2023/24	8 (4M, 4L)	6 (5M, 1L)	-	-	-	14
Best Value Readiness 2023/24	7 (3H, 1M, 3L)	-	-	-	-	7
Grievance Process 2023/24	5 (2H, 2M, 1M)	2 (1H, 1M)	-	-	-	7
Cyber Security 2022/23	2 (M)	2 (1H, 1M)	-	-	-	4
Business Continuity Planning - Forensic Services 2022/23	4 (1M, 3L)	1 (M)	-	-	-	5
Forensic Case Management 2022/23	1 (L)	-	-	-	-	1
Forensic Services - Data Security 2022/23	7 (1h, 6M)	-	-	-	2 (H)	9
Vetting 2022/23	-	1 (H)	-	-	-	1

# SUMMARY OF FOLLOW-UP

## STATUS OF RECOMMENDATIONS FOLLOWED UP IN FULL YEAR AS AT APRIL 2025

AUDIT AREAS	STATUS AT APRIL 2025					Total
	 Fully implemented	 Being implemented	 Not implemented	 Could not be tested	 Superseded	
New Legislation 2023/24	8 (3H, 5M)	-	-	-	-	8
IT General Controls 2024/25	3 (2M, 1L)	1 (L)	-	-	-	4
YLM 2024/25	5 (M)	3 (M)	-	-	-	8
Compliance PAVA Airwave 2022/23	-	5 (4M, 1M)	-	-	-	5
Performance Management & Reporting 2024/25	2 (M)	3 (M)	-	-	-	5
Risk Management 2024/25	19 (6M, 13L)	-	-	-	-	19
Core Operating Solutions 2024/25	2 (M)	5 (3M, 2L)	-	-	1 (M)	8
Legal Claims Handling 2021/22	-	1 (M)	-	-	-	1
Organisational Learning 2022/23	-	8 (M)	-	-	-	8
Biometrics (Police Scotland) 2023/24	-	7 (6M, 1L)	2 (1M, 1L)	-	-	9
Biometrics (Forensic Services) 2023/24	-	3 (M)	-	-	-	3
Equality and Human Rights Impact Assessment 2024/25	-	2 (L)	-	-	-	2
TOTAL	92	55	2	-	6	



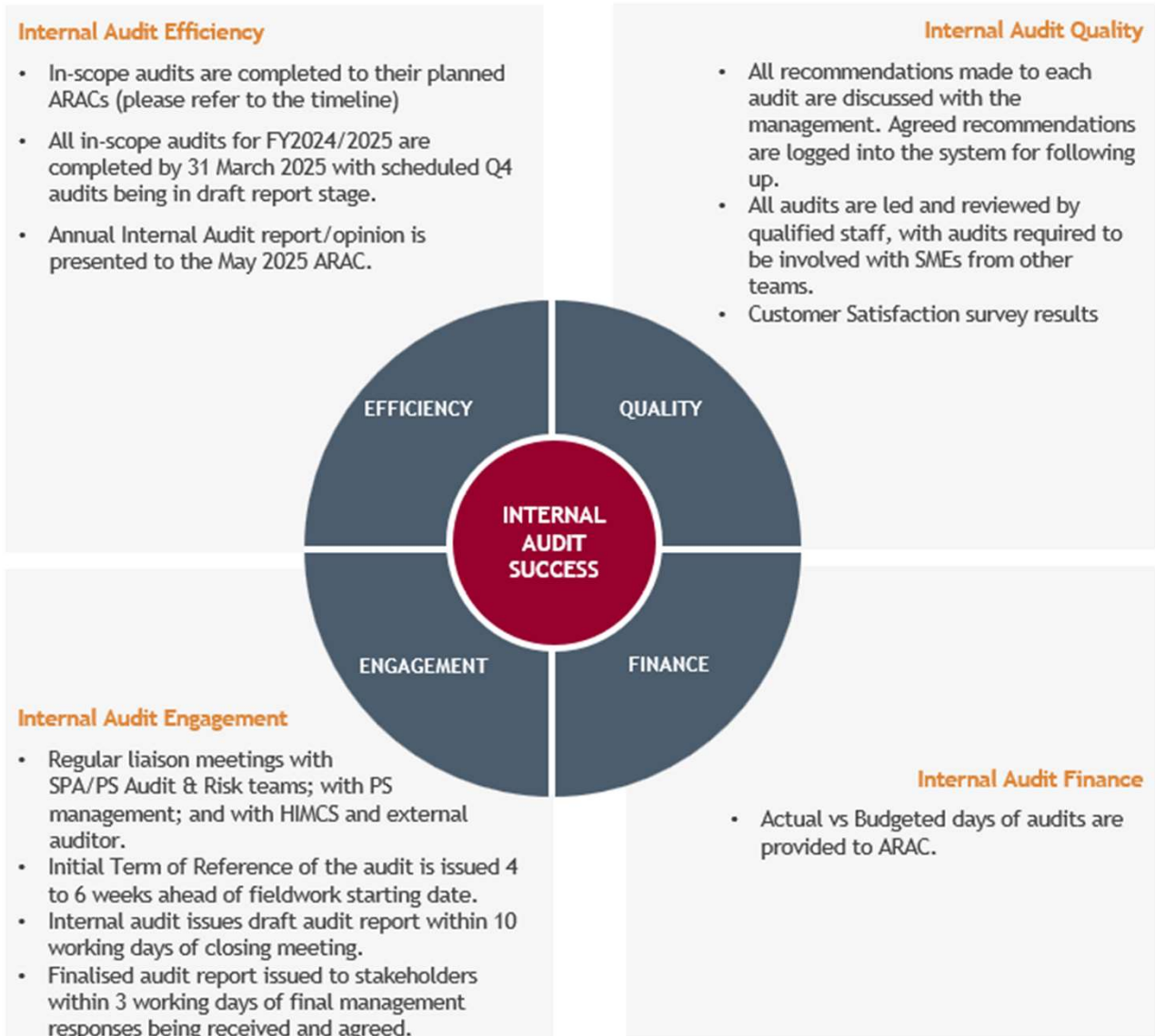
# IA WORKING PROTOCOLS AND PERFORMANCE

## INTERNAL AUDIT PERFORMANCE MEASURES AND INDICATORS

Performance measurement is the use of measures and associated targets to assess objectively the performance of a body. It is now well established as an important means of improving performance and reinforcing accountability. We have included the performance KPIs we have agreed with ARAC at the beginning of the 2024 /2025 year.

Internal audit performance can be assessed in two ways. Firstly, there is the ability for us to self-assess our performance on a regular basis and report back to the ARAC on certain measures around inputs and satisfaction from those audit sponsors who have been subject to a review. Secondly, the view of the ARAC as to the value being received from its internal audit provider has to be taken into account.

In the following pages, we breakdown our performance against the designated performance KPIs.



# IA PERFORMANCE - KPIS

In the table below, we have provided details for each performance KPI we set at the FY 2024 /2025 IA planning stage:

Performance KPI	Status	Comments
<b>Internal Audit Efficiency</b>		
In-scope audits are completed to their planned ARACs.	Achieved	
All in-scope audits for FY 2024/2025 are completed by 31 March 2025 with scheduled Q4 audits being in draft report stage.	Partially Achieved	All FY24/25 audit fieldwork completed in time for May ARAC
Annual Internal Audit report/opinion is presented to the May 2025 ARAC.	Achieved	
<b>Internal Audit Quality</b>		
All recommendations made to each audit are discussed with the management. Agreed recommendations are logged into the system for following up.	Achieved	
All audits are led and reviewed by qualified staff, with audits required to be involved with SMEs from other teams.	Achieved	
Customer Satisfaction survey results	To be conducted following May ARAC	
<b>Internal Audit Engagement</b>		
Regular liaison meetings with SPA/PS Audit & Risk teams; with PS management; and with HMICS and external auditor.	Achieved	
Initial Term of Reference of the audit is issued 4 to 6 weeks ahead of fieldwork starting date.	Achieved	
Internal audit issues draft audit report within 10 working days of closing meeting.	Partially Achieved	Some small delays due to audit management team change during year
Finalised audit report issued to stakeholders within 3 working days of final management responses being received and agreed.	Achieved	
<b>Internal Audit Quality</b>		
Actual vs Budgeted days of audits are provided to ARAC.	Achieved	

# IA PERFORMANCE - KEY MILESTONES

We set out in the table below the timescales involved for each audit as part of the 2024/25 internal audit plan.

AUDIT	COMPLETION OF FIELDWORK/DEBRIEF MEETING	DRAFT REPORT	FINAL MANAGEMENT RESPONSES	FINAL REPORT	PRESENTED TO ARAC
Your Leadership Matters (YLM)	17 July 2024	19 July 2024	01 August 2024	01 August 2024	01 August 2024
Forensic Performance Management	28 August 2024	9 September 2024	23 September 2024	7 October 2024	20 November 2024
Core Operational Solutions (COS)	30 August 2024	11 September 2024	28 October 2024	29 October 2024	20 November 2024
Risk Management review	18 September 2024	27 September 2024	24 October 2024	28 October 2024	20 November 2024
Equality and Human Rights Impact Assessment (EqHRIA)	18 October 2024	21 October 2024	12 November 2024	13 November 2024	20 November 2024
Implementation of Change Projects and Realisation of Change Benefits	06 December 2024	06 January 2025	24 January 2025	28 January 2025	20 November 2024
Estates and Asset Management	28 January 2025	27 February 2025	05 May 2025	08 May 2025	21 May 2025
Grant Management Process	16 April 2025	29 April 2025	07 May 2025	13 May 2025	21 May 2025
Cash and Drug Production and High Value Store	27 March 2025	07 April 2025	14 May 2025	15 May 2025	21 May 2025
ICT	31 March 2025	07 April 2025	14 May 2025	14 May 2025	21 May 2025
Health and Safety - Transportation of Dangerous Goods	22 April 2025	30 April 2025	02 May 2025	08 May 2025	21 May 2025
Follow up Q1	12 July 2024	15 July 2024	N/A	01 August 2024	15 August 2024
Follow up Q2	10 October 2025	21 October 2024	24 October 2024	05 November 2024	20 November 2024

# IA PERFORMANCE - KEY MILESTONES

We set out in the table below our performance against the budgeted internal audit plan and the timescales involved for each audit.

AUDIT	COMPLETION OF FIELDWORK/DEBRIEF MEETING	DRAFT REPORT	FINAL MANAGEMENT RESPONSES	FINAL REPORT	Presented to ARAC
Follow up Q3	09 January 2025	13 January 2025	N/A	20 January 2025	6 February 2025
Follow up Q4	15 April 2025	15 April 2025	N/A	14 May 2025	21 May 2025

# IA PERFORMANCE - SUBJECT MATTER EXPERT USAGE

We have provided insight of how we utilised the subject matter experts (SME) in different audits. The usage is presented in the table below:

Audits	SME Used?	SME Usage
Your Leadership Matters (YLM)	Yes - People Advisory Service SME	5% of the audit time
Forensic Performance Management	No	n/a
Core Operational Solutions (COS)	No	n/a
Risk Management review	No	n/a
Equality and Human Rights Impact Assessment (EqHRIA)	No	n/a
Implementation of Change Projects and Realisation of Change Benefits	No	n/a
Estates and Asset Management	No	n/a
Grant Management Process	No	n/a
Cash and Drug Production and High Value Store	No	n/a
ICT	Yes - Digital SME	100% of the audit time
Health and Safety - Transportation of Dangerous Goods	Yes - H&S SME	15% of the audit time

# IA PERFORMANCE - FINANCE PERFORMANCE

The table below provides details of how budgeted days have been spent throughout the cycle of the audit.

<u>FY 2024/25</u>	<u>ARAC Approved Audit Days</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25</u>	<u>Apr-25</u>	<u>Days Left for the year</u>
<b><u>Audit, Risk and Assurance Committee, liaison and reporting</u></b>														
Audit & Risk Committee planning and attendance	20	-	-	-	5.00	-	-	5.00	-	4.00	3.00	3.00		-
Monthly liaison meetings	18	3.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	2.00	1.00		-
Reporting, ad-hoc meetings and other liaison	6	0.50	-	-	-	-	-	-	0.50	1.00	2.00	2.00		-
Liaison with external audit and HMICS	4	-	0.23	-	-	0.50	-	-	-	-		3.27		-
Audit needs analysis - strategic and operation IA planning	10	-	-	-	-	-	-	3.50	2.00	4.50				-
Annual internal audit report	2	-	-	-	-	-	-	-	-	-		2.00		-
Contingency	15	-	-	-	-	-	-	-	-	-		5.00		-
Follow up	20	-	2.71	2.29	-	3.50	1.50	-	-	5.00		-	5.00	-
<b><u>Audits</u></b>														
Grant Receiving Process: Management Process & Controls	30	0.10	1.14	2.00	-	-	-	-	-	-	12.00	14.76		-
Your Leadership Matters	40	0.25	7.14	12.00	20.61	-	-	-	-	-				-
Equality and Human Rights Impact Assessment (EQHRIA)	35	0.10	-	2.00	0.52	6.00	12.00	14.38	-	-				-
Implementation of Change Projects and Realisation of the Change benefits	50	0.10	0.60	3.50	-	0.20	-	11.50	19.00	15.10				-
Risk Management Review	40	0.10	0.30	3.00	3.96	14.00	14.00	4.64	-	-				-
COS - Crime Operating System	45	0.10	0.39	3.50	15.01	16.00	6.00	4.00	-	-				-
Forensic Performance Management and Performance	35	0.10	-	2.00	14.09	12.00	6.81	-	-	-				-
Estates and Asset Management	40	0.10	1.71	1.50	-	-	-	1.00	16.00	12.00	6.00	1.69		-
Cash and Drug Productions and High Value Store	40	0.10	0.66	3.00	-	-	-	-	-	-	20.00	16.24		-
ICT Place Holder	45	0.10	0.25	-	0.13	-	-	4.50	-	-	35.00	5.02		-
Health & Safety - Transportation of Dangerous Goods	23										6.00	17.00		-
<b>Total Days</b>	<b>518</b>	<b>4.65</b>	<b>16.63</b>	<b>36.29</b>	<b>60.83</b>	<b>53.70</b>	<b>41.81</b>	<b>50.01</b>	<b>39.00</b>	<b>43.10</b>	<b>86.00</b>	<b>70.98</b>	<b>5.00</b>	<b>-</b>



# APPENDIX I - DEFINITIONS (Page 1 of 2)






LEVEL OF ASSURANCE	DESIGN of internal control framework		OPERATIONAL EFFECTIVENESS of internal controls	
	Findings from review	Design Opinion	Findings from review	Effectiveness Opinion
Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.
Recommendation Significance				
High	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.			
Medium	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.			
Low	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.			
Advisory	A weakness that does not have a risk impact or consequence but has been raised to highlight areas of inefficiencies or potential best practice improvements.			

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## Advisory audits

Observation Significance	
High	Presents significant and material risk to one or more of the programme's key time, cost, or quality constraints. There are no clear plans to remediate the risk. OR Represents a specific material issue that has already occurred.
Medium	Represents a risk that has the potential to materially impact one or more of the programme's key time, cost, or quality constraints. The programme is aware and has plans to address but these have not yet brought the risk down to a tolerable level that would indicate a low finding. OR Represents a moderate issue where there is scope to recover time, cost or quality.
Low	There is a likely impact to one or more of the programme's key time, cost, or quality constraints but this is individually within a tolerance that programme management would accept. Low findings need to be considered together for their potential aggregate impact.
Info	Is not likely to have significant impact, but where management may consider a requirement for improved controls and/or can achieve greater effectiveness and/or efficiency of the programme

## Follow-up

Recommendation Status	Meaning
	Fully implemented
	Being implemented
	Not implemented
	Could not be tested at the time of the audit
	Superseded

FOR MORE INFORMATION:

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