

<b>Meeting</b>	<b>SPA Audit, Risk and Assurance Committee</b>
<b>Date</b>	<b>4 May 2022</b>
<b>Location</b>	<b>By video-conference</b>
<b>Title of Paper</b>	<b>Internal Audit Reports</b>
<b>Presented By</b>	<b>John McNellis, Head of Finance Audit and Risk Elizabeth Young and Ashley Bickerstaff, Azets</b>
<b>Recommendation to Members</b>	<b>For consultation</b>
<b>Appendix Attached</b>	<b>Appendix A: Core financial systems Appendix B: Business continuity planning Appendix C: Vetting</b>

**PURPOSE**

To present the Audit, Risk and Assurance Committee (ARAC) with the internal audit reports on: Core financial systems, vetting and business continuity planning.

*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 Internal Audit plan for 2022/23 was approved by the SPA Board in February 2022. The three internal audit reports presented to the ARAC are within the plan and presented in a timescale planned with internal audit.
- 1.2 The internal audit function is managed within SPA corporate to provide assurance over the policing service and ultimately to provide an annual opinion on the systems of internal control.

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

**2.1 Core Financial Systems - Receivables, Cash and Treasury Management - (full report at Appendix A)**

**a. Background:**

- Responsibility for operational finance rests within Police Scotland, the audit reviewed arrangements for receivables, cash and treasury management.

**b. Internal audit findings:**

- Internal audit identified that arrangements are well designed and are operating effectively.
- Four minor areas for improvement, which are mainly focused on administrative procedures and management reporting were noted.

**c. Summary of recommendations:**

<b>Grade</b>	<b>Number of actions</b>
4 – very high risk	0
3 – high risk	0
2 – moderate risk	1
1 – limited risk	3
<b>Total</b>	<b>4</b>

**d. SPA conclusions:**

- Management agrees with all internal audit actions.
- Management responses to address recommendations are detailed and are all planned very shortly by August 2022.

## 2.2 Business continuity planning (BCP) (full report at Appendix B)

The findings relating to Forensic Services BCP will be reported to the ARAC in September. The report was not able to be completed by Forensic Service in time for the July ARAC due to staff sickness.

### a. Background:

- The ability to be able to respond to unexpected events and provide continuity of service is critical. It is essential that formal plans and procedures exist to support it in the event of a disaster.
- The effectiveness of these plans requires a structured and methodical approach to identifying critical business processes, contingent resources, and optimal recovery strategies as well as robust maintenance and test processes.
- The response to Covid-19 has identified the need for business continuity planning to have a greater focus on organisational resilience, particularly relating to core operations, people, information and supply chain.

### b. Internal audit findings:

- The review found business continuity arrangements are well established within Police Scotland and SPA corporate with annual reviews.
- Three key areas for improvement were identified related to:
  - Confirming recovery time objectives are achievable;
  - Defining recovery point objectives;
  - Ongoing assurance of supplier business continuity arrangements; and
  - The need for an overarching IT disaster recovery plan.

### c. Summary of recommendations:

Grade	Number of actions
4 – very high risk	0
3 – high risk	2
2 – moderate risk	3
1 – limited risk	1
<b>Total</b>	<b>6</b>

### d. SPA conclusions:

- This is a detailed review and management have accepted all internal audit findings.
- Recommendations will take up to August 2023 to be fully delivered. The two high risk findings will be delivered in January 2023 and August 2023.

## **2.3 Vetting (full report at Appendix C)**

### **a. Background:**

- It is vital that the processes for vetting both individuals and companies work efficiently and effectively, to enable SPA and Police Scotland access to the personnel they require whilst mitigating the risk of corrupt, dishonest, unethical, or unprofessional behaviour.
- Vetting is undertaken on police officers, special constables, police staff, contractors and suppliers

### **b. Internal audit findings:**

- Management highlighted a number of concerns about the level of demand on the Vetting Unit and the knock-on impact of long vetting processing times on the business.
- Whilst overall vetting volumes have continued to increase during 2022 to date, applications are being processed much more quickly than compared with prior years and work in progress is reducing. This suggests a historic issue that at the time of the audit, was on an improving trajectory. Other actions recently taken by management should improve the situation further.
- A number of significant recommendations were identified that impact both the vetting unit itself and the wider organisation. A number of these relate to the need to proactively manage vetting demand and plan resource accordingly, as well supporting the organisation to engage effectively with the vetting process.

**c. Summary of recommendations:**

<b>Grade</b>	<b>Number of actions</b>
4 – very high risk	0
3 – high risk	9
2 – moderate risk	7
1 – limited risk	1
<b>Total</b>	<b>17</b>

**d. SPA conclusions:**

- This is a comprehensive review and management have accepted all internal audit findings.
- Observations relating to improved processing times and reducing work in progress are welcomed.
- Recommendations will take up to July 2023 to be fully delivered. 13 of the 17 recommendations are scheduled to be addressed in this calendar year.

**3. FINANCIAL IMPLICATIONS**

3.1 There are no specific financial implications from this report, however, the implementation of some actions are likely to require financial resources.

**4. PERSONNEL IMPLICATIONS**

4.1 There are no specific personnel implications associated with this paper. The vetting internal audit review has implications on the police workforce as outlined.

**5. LEGAL IMPLICATIONS**

5.1 There are no specific legal implications associated with this paper.

**6. REPUTATIONAL IMPLICATIONS**

6.1 There are no reputational implications associated with this paper, however there are potential reputational implications associated with the pace and effectiveness of addressing management actions arising from internal audit reports.

**7. SOCIAL IMPLICATIONS**

7.1 There are no social implications associated with this paper.

**8. COMMUNITY IMPACT**

8.1 There are no community impact implications associated with this paper.

**9. EQUALITIES IMPLICATIONS**

9.1 There are no equality implications associated with this paper.

**10. ENVIRONMENT IMPLICATIONS**

10.1 There are no environmental implications associated with this paper.

**RECOMMENDATIONS**

Members are requested to note the internal audit reports.



# Scottish Police Authority

## Internal Audit Report 2022/23

### Core Financial Systems (Receivables, Cash and Treasury Management)

June 2022



# Scottish Police Authority

## Internal Audit Report 2022/23

### Core Financial Systems (Receivables, Cash and Treasury Management)

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<b>Audit Sponsor</b>	<b>Key Contacts</b>	<b>Audit team</b>
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# Executive Summary

## Conclusion

**As the Scottish Police Authority is a public sector organisation, it is vital that controls allow for the effective use of public funds. Responsibility for operational finance rests within Police Scotland, and we confirmed that their arrangements for receivables, cash and treasury management are well designed and are operating effectively.**

**We have identified four minor areas for improvement, which are mainly focused on administrative procedures and management reporting. These recommendations, if implemented, would strengthen the control environment.**

## Background and scope

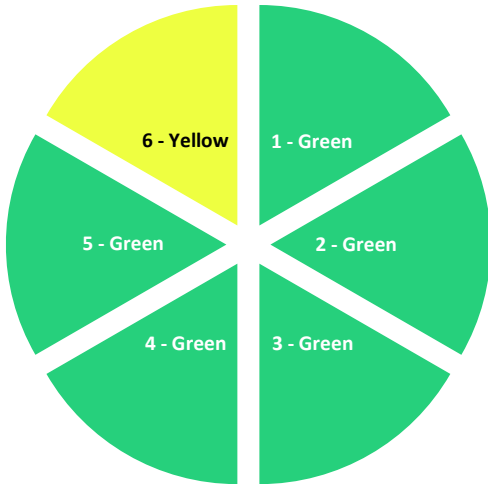
The Scottish Police Authority must have robust financial systems in place to deliver economy and efficiency and secure the financial health of the organisation. As a public sector body, the Authority is accountable for the proper use of public funds.

In 2021/22 SPA and Police Scotland had a budget for core revenue funding from the Scottish Government in excess of £1.2bn, the majority of which is drawn down throughout the financial year to fund Policing Operations. It is therefore crucial for the Authority to ensure that cashflow is effectively managed, and that any risks around the collection of income are appropriately mitigated.

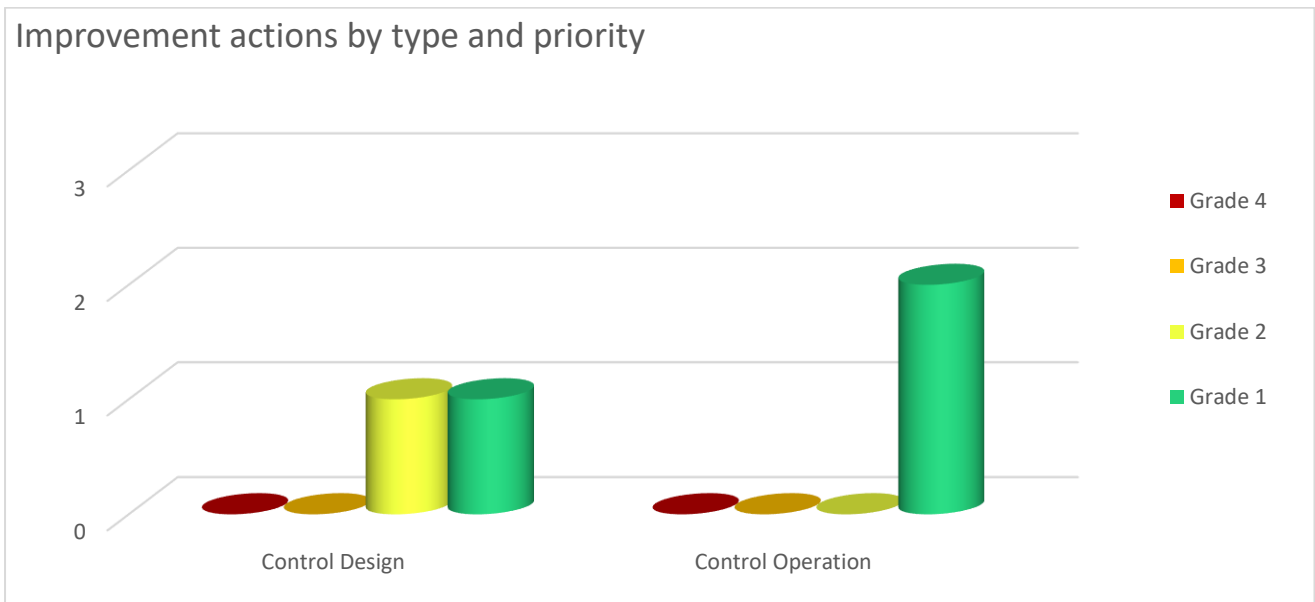
In accordance with the 2022/23 Internal Audit Plan we have reviewed the controls over the collection of income and grant in aid, and the operation of cash management, including bank reconciliations and cash flow forecasting. We have made use of data analytics, where possible, to extend our testing over these areas.

# Control assessment

- 1. Policies and procedures are in place for income & receivables that are aligned to best practice
- 2. Invoices are raised correctly and timeously for all income-generating activities and accurately reflected in the financial ledger
- 3. Receivables are managed appropriately to minimise aged debt and the write off of bad debt, and maximise income received
- 4. Bank and cash reconciliations are performed and reviewed with appropriate frequency
- 5. Funds are appropriately forecast and managed with the aim of having adequate cash flow
- 6. Timely, relevant and accurate management information, adequate to provide assurance over the operation of income collection and cash flow forecasting processes, is prepared and reviewed on a regular basis



## Improvement actions by type and priority



Four improvement actions have been identified from this review, two of which relate to compliance with existing procedures, rather than the design of controls themselves. See Appendix A for definitions of colour coding.

## Key findings

### Good practice

Scottish Police Authority's procedures reflect good practice in a number of areas:

- Police Scotland has an established and clearly articulated process and procedure for raising invoices. Invoices are prepared according to standard costings, can only be raised by authorised individuals, and are subject to a quality review before any invoice is issued. Invoices are raised through the sales ledger functionality of the EFinancials system, which automatically generates the required ledger postings. Our testing did not identify any instances in which procedures had not been adhered to.
- Police Scotland's policies for debtor management and recovery are tailored to circumstance in a manner that maximises the recovery of bad debts. These measures have led to a significant reduction in debt write-offs, from £220k in 2020/21 to £38k in 2021/22.
- We reviewed the processes for monitoring and reporting of aged debt, and confirmed that reports had been appropriately prepared and included adequate detail to easily identify debts that have exceeded thresholds for value or age that require escalation in line with policy. We selected a sample of aged debts and obtained evidence that these had been pursued in line with the requirements of the debt recovery procedure.
- Finance prepare cashflow forecasts that make use of timely and relevant information to provide a clear picture of upcoming expenditure and the impact of this of the Authority's financial stability. Information is received from relevant business areas in a manner that enables drawdown requests to be made from the Scottish Government six weeks in advance of when funds are required.
- The Cash and Banking Team reconcile bank accounts on a regular basis and in line with documented procedures, allowing for discrepancies to be identified and rectified in an efficient manner. Reconciliations are carried out on at least a monthly basis for all accounts, with larger value accounts reconciled more frequently.

### Areas for improvement

We have identified a small number of areas for improvement which, if addressed, would strengthen the organisation's control framework. These include:

- Reviewing policies and procedures relating to the core financial processes to ensure that they align with existing practice and are subject to an appropriate review cycle.
- Identifying appropriate metrics against which the effectiveness of financial controls can be measured.

These are further discussed in the Management Action Plan below.

## Best value

Core Financial Systems have a direct impact on an organisation's ability to demonstrate their achievement of Best Value and to show that the duty of Best Value has been complied with. In the context of Receivables, Cash and Treasury Management this primarily means that:

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- The organisation has appropriate measures in place to ensure that debts are recovered where services are provided; and
- Cash management operates effectively such that cash balances held by the organisation are not excessive.

We found that Police Scotland's procedures place an emphasis on setting clear criteria for escalation and reporting of aged debts, but preserve flexibility in the approach to seeking recovery of outstanding balances, allowing for due consideration of individual circumstances whilst still maximising recovery.

To ensure the efficient use of public funds, the Scottish Public Finance Manual states that public bodies should not build up unacceptably large cash balances. The Finance team seek to manage cash balances in line with a working balance (for Grant in Aid) agreed with the Scottish Government of £5-15m. Cash flow management is a standard part of regular financial reporting, included within the monthly report prepared by Financial Planning and Analysis for the Corporate Finance and People Board (CFPB) and Resources Committee.

A more general aspect of the duty to achieve Best Value is the expectation that organisations will implement frameworks of continuous improvement which, over time, lead to improvements in the economy, efficiency, and effectiveness of processes. Police Scotland has invested considerable time and resources into the improvement and upgrade of its financial systems. We considered the efficiency of the processes in place throughout our testing and found that, while accounts receivable processes are not as system driven as processes in other areas such as purchasing, the organisation makes use of automation supported by systems where this is available. Given the relatively low volumes of accounts receivable activity within the organisation and the relative unlikelihood of realising significant efficiency gains through enhancements to process design or investment in technology, we consider that the existing processes are proportionate.

## Impact on risk register

This review is linked to the following risks from the Police Scotland Risk Register (as at April 2022):

- SRR2: If there is regression in current funding commitments from Scottish Government and reductions in other sources such as the local authority funding, and/or an inability to generate additional income, there is a risk we will be unable to continue to provide the current level of Policing over the short, medium and long-term, and also to fund ongoing projects which are supporting the 'Joint Strategy for Policing'.

Our audit has identified a small number of improvement actions that will improve the supporting controls behind receivables, cash and treasury management. Implementation of the findings raised in the Management Action Plan to this report will help the organisation to strengthen the control environment.

## Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

# Management Action Plan

Control Objective 1: Policies and procedures are in place for income & receivables that are aligned to best practice



Green

## 1.1 Income and Debt Management Policy

Procedures for Accounts Receivable are set out in the Income and Debt Management policy. This was first developed in September 2019, with the most recent revision being made in July 2020. Though we did not identify any instances in which the policy did not reflect current practice, we noted that there is no review schedule defined within the policy for the next scheduled review. We would normally expect this to be on a triennial basis as a minimum, unless changes to systems or processes necessitated a more frequent review.

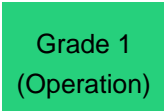
### Risk

There is a risk that without a regularly scheduled review, the policy may become outdated and not provide the appropriate guidance for staff regarding income and debt management that is aligned with current working practice.

### Recommendation

Police Scotland should establish a review cycle for the procedures relating to income and debt management, to ensure that the policy consistently reflects current working practice.

### Management Action



Grade 1  
(Operation)

The Income & Debt Management Policy will be formally reviewed prior to 31<sup>st</sup> July 2022. Thereafter, we will adopt Audit's recommendation of 'triannual' reviews. Finance Quality & Assurance will be asked to include the dates for these reviews within their schedule of document reviews.

**Action owner:** Stephen Baillie, Senior Manager, Purchasing, Receivables & Cash Services.

**Due date:** 31 July 2022

## 1.2 Cash Management and Banking Policy

The key points of policy and procedure for cash management, banking and cash flow forecasting are set out in the Cash Flow Guidelines, last updated in March 2021.

In the course of our review we noted that as practice has developed, there are some minor differences between current practice and the documented process, particularly in relation to the handling of physical cash. These have arisen as the volume of physical cash handling reduced during the pandemic.

A Cash Management and Banking policy is currently in draft that aims to bring the procedures laid out in the existing Cash Flow Guidelines in line with current working practice. At the time of our audit, no date had been set for the policy to come into effect.

### Risk

There is a risk that without a set date regarding the implementation of the new policy, there may be confusion among staff on which procedure to apply which could result in staff conducting matters related to cash and banking in an inefficient manner.

### Recommendation

Police Scotland should determine the authorisation pathway for the draft Cash Management and Banking policy and establish a timetable for its approval and implementation.

#### Management Action

Grade 1  
(Operation)

The draft policy is currently going through Final Senior Management Quality Assurance review with a view to being approved and published in July 22, with an implementation date of August 22.

**Action owner:** Craig Pollock, Senior Manager: Accounting & Control Services

**Due date:** 31 July 2022

## Control Objective 2: Invoices are raised correctly and timeously for all income-generating activities and accurately reflected in the financial ledger

Green

### No weaknesses identified

Police Scotland's policy is that invoices should be raised for all external services, and this is supported by a procedure set out in the Income and Debt Management Policy.

The Accounts Receivable team raise invoices in response to 'Request to Invoice' forms raised by authorised individuals within departments providing external services. Requests are sent to a central, monitored mailbox. Accounts Receivable officers generate invoices through the invoicing functions of the Efinancials system, which automatically generates batches of transactions and posts these to the financial ledger. Invoices within each batch are subject to review by the Credit Controls and Accounts Receivable Manager, on a sample basis, in advance of invoices being issued to customers.

We reviewed a sample of invoices issued in the last twelve months and confirmed that they were created and issued in line with documented procedures. In particular we confirmed that:

- An appropriately approved Request to Invoice form had been raised;
- The invoice was accurately prepared, in line with the 2 working day timescale set out in the procedure documentation; and
- The batch of invoices posted to the ledger had been appropriately reviewed and approved.

We also obtained a data set of issued invoices and credit notes and carried out automated consistency checking based on our understanding of controls. We identified one potential anomaly through sequence checking, noting that a gap existed in the sequential, system generated invoice numbers created throughout the period. We queried this with management and confirmed that this related to a credit note which was created and subsequently cancelled without being issued. This testing allowed us to provide further assurance over the completeness of the invoicing process and the financial ledger data.

## Control Objective 3: Receivables are managed appropriately to minimise aged debt and the write off of bad debt, and maximise income received

### 3.1 Maintenance of Customer Details

In order for an invoice to be raised, it is necessary for customer details to be entered into the EFinancials system. We carried out testing to establish the quality of this data. EFinancials holds the details of 10,071 customers to whom invoices can be issued. Our testing identified 122 records marked “Do Not Use” or “In Administration”. This is a consequence of the fact that customer records, once created within EFinancials, cannot be deleted – instead they are flagged as unsuitable for use.

Of the 122 records, we found that 8 had been flagged as deleted, meaning that they are no longer available for the raising of invoices, and the remainder had not.

We reviewed a sample of these customer records and confirmed that they had not been used for the issue of invoices in the last twelve months.

#### Risk

There is a risk that invoices are raised using details that are incorrect, or to customers that are no longer in operation, leading to delays in identifying bad debt.

#### Recommendation

Police Scotland should periodically review the customer details held within EFinancials, and ensure that any which are no longer correct or appropriate for use are flagged such that they cannot be used to raise invoices.

#### Management Action

Grade 1  
(Design)

The cleansing of Customer records will become subject to regular review. All dormant records will be ‘Marked for Deletion’, making them inaccessible to Users. The Mark for Deletion process already forms part of Accounts Payable Housekeeping operations. The task of cleansing Customer records was begun on 17<sup>th</sup> June 2022. Date for completion of the exercise is 30<sup>th</sup> June 2022.

**Action owner:** Stephen Baillie, Senior Manager, Purchasing, Receivables & Cash Services.

**Due date:** 30 June 2022.



## Control Objective 4: Bank and cash reconciliations are performed and reviewed with appropriate frequency



Green

### No weaknesses identified

Bank and cash reconciliations are conducted by the Cash and Banking team according to procedures set out in the Cash Flow Guidelines. A Cash Management and Banking Policy is currently under development, as noted at MAP1.2. The guidelines establish the responsibilities for completion and review of reconciliations as well as general cash handling activities.

The Cash and Banking team Bank reconcile accounts on at least a monthly basis, with accounts that are used more frequently, or that hold significant balances, reconciled daily.

We tested a sample of reconciliations completed in the last twelve months and confirmed that they had been satisfactorily completed, with any reconciling items explained. We also confirmed that the reconciliations were subject to appropriate review, authorisation and segregation of duties.

Due to the varied nature of Scottish Police Authority's operations, cash and cheques are received by various departments across the organisation, with cash and cheques for deposit handled from two sites. The process for recording income and depositing physical cash and cheques is the same. Departments receiving cash or cheque payments should post the relevant income to the ledger and submit the physical cash using sealed numbered security bags, along with a pro-forma Income Summary Sheet to the Cash and Bank team for processing. Security bags are secured in the safe, with a log maintained of the bags submitted. The cash officer reconciles the contents of the safe to the log and income summary sheets on a monthly basis. This reconciliation is reviewed by the Accounting and Control Service Senior Manager.

We confirmed that the reconciliations of the cash log and the safe contents had been carried out consistently at Dalmarnock. This site handles the majority of physical cash and cheque deposits, however the amount of cash received during the period between monthly deposits did not exceeding £7,000 during the last twelve months. For a sample of cash payments, we confirmed that an appropriate record of receipt of the amount had been retained by the Cash Officer, that deposits had been submitted on a regular basis and we agreed the resultant deposits to the financial ledger.

## Control Objective 5: Funds are appropriately forecast and managed with the aim of having adequate cash flow

Green

### No weaknesses identified

Cashflow forecasting for the organisation as a whole is the responsibility of the Financial Planning and Analysis Team (FP&A) within Police Scotland, and the aim of this process is to ensure that the Scottish Police Authority receive the necessary funds to provide essential services to the public. On an annual basis, the Scottish Government issues a Budget Allocation and Monitoring (BAM) Letter that outlines the Grant in Aid (GiA) that the Authority will receive over the course of the financial year. On receipt of this letter, the FP&A team develop an initial cash profile for the year. This profile is based on historic cash flows across the two previous years, as the majority of the costs associated with the Scottish Police Authority's operations are relatively predictable and consistent year on year.

In line with Scottish Government procedures funding drawdown requests are made monthly, with the FP&A team making requests five weeks in advance to ensure that funds are available when required. The Cash and Bank Team provide information on to FP&A on a daily basis to enable them to monitor actuals against forecast. The forecast is also updated to reflect:

- Monthly monitoring reports compiled from data submitted by Finance Business Partners;
- Specific information provided by Business Intelligence in relation to pension cash flows; and
- Other updates sought from relevant areas in relation to exceptional expenditure such as that incurred in relation to COP26.

This enables the FP&A team to adjust drawdown requests accordingly and escalate issues to the relevant financial governance groups, namely the Corporate Finance and People Board, the SPA Resources Committee and the SPA Board, if required.

For a sample of months from the last year, we confirmed that a cash flow forecast had been appropriately prepared by the FP&A team, based on adequate information. We confirmed that reporting that included cash flow forecasting was presented to the three identified governance groups. We also confirmed that the expected information impacting upon cash flow, such as COP26, had been submitted by the relevant departments. For each month sampled, we confirmed submission of the drawdown requests to Scottish Government and that they allowed sufficient time for the funds to be provided.

Control Objective 6: Timely, relevant and accurate management information, adequate to provide assurance over the operation of income collection and cash flow forecasting processes, is prepared and reviewed on a regular basis

Yellow

## 6.1 Performance Indicators and Management Reporting

We reviewed the arrangements to provide assurance that cash handling, cash management, income collection and cash flow forecasting processes are completed as required. These are primarily administered by the Finance QA team and comprise a system whereby key process outputs are submitted to QA and reviewed for satisfactory completion on a sample basis. The outputs of this review are fed back to the Deputy CFO at regular meetings, with RAG ratings assigned to provide a general overview of compliance.

Although these arrangements provide assurance that management processes are being applied, they provide limited information about some elements of financial performance such as income generated against resource applied, or debtor days for debtor management.

### Risk

There is a risk that without appropriate metrics, the efficiency and effectiveness of financial processes cannot be easily determined, meaning that management and governance groups will not be able to make informed decisions to support the achievement of best value.

### Recommendation

We recommend that Police Scotland develop appropriate metrics around the core financial processes of income collection and debtor management, and track and report these within the relevant functional teams.

Development of metrics should include consideration of criteria for escalation to Senior Management.

### Management Action

Grade 2  
(Design)

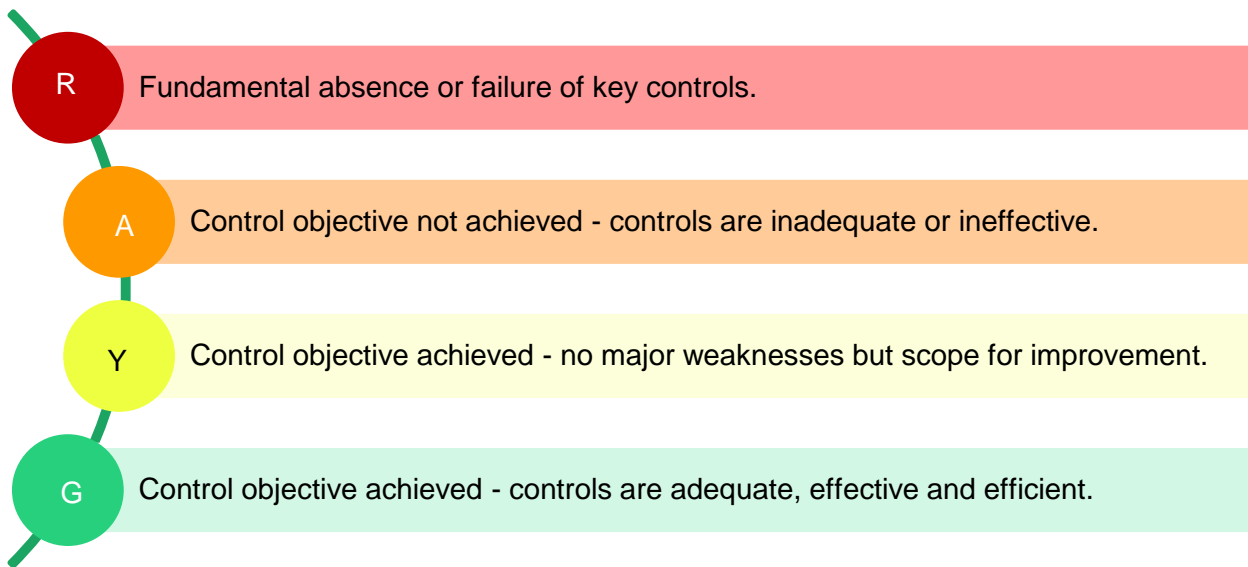
Financial Transactions are currently focussing on improving MI in all of its Departments. Initial discussions regarding Accounts Receivable management information have taken place. A meeting will take place on 23<sup>rd</sup> June 22 to agree what MI to capture, and how this will be presented. A draft MI report will be circulated within Financial Transactions in July. A final version of Accounts Receivable metrics will be made available before the end of August 2022.

**Action owner:** Stephen Baillie, Senior Manager, Purchasing, Receivables & Cash Services.

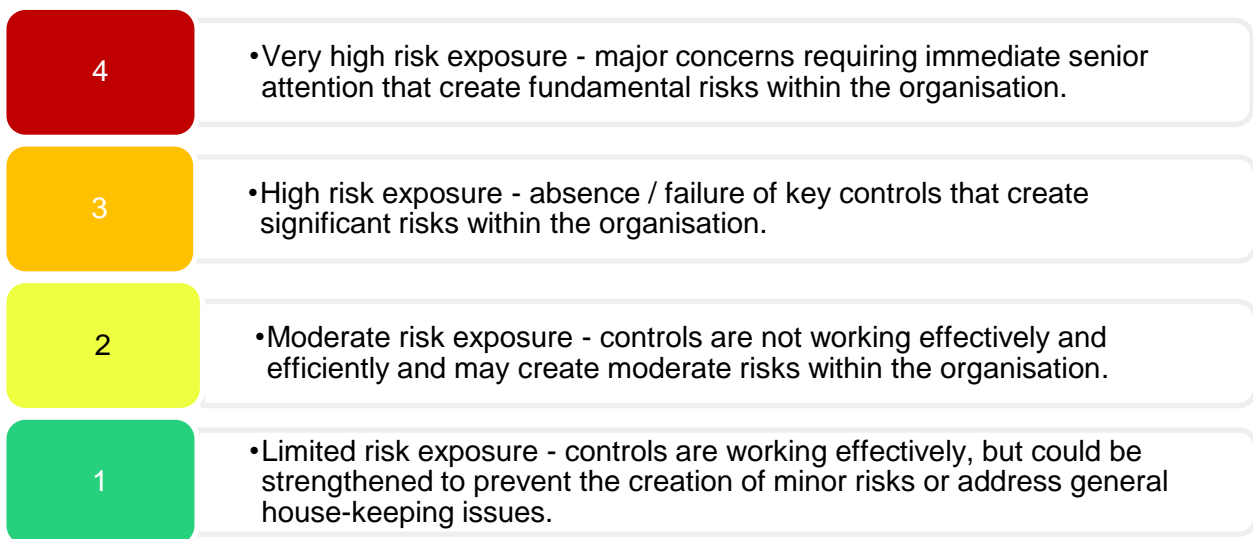
**Due date:** 31 August 2022

# Appendix A – Definitions

## Control assessments



## Management action grades



# Appendix B – Summary of management actions

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
1.1	Police Scotland should establish a review cycle for the procedures relating to income and debt management, to ensure that the policy consistently reflects current working practice.	The Income & Debt Management Policy will be formally reviewed prior to 31st July 2022. Thereafter, we will adopt Audits recommendation of 'triannual' reviews. Finance Quality & Assurance will be asked to include the dates for these reviews within their schedule of document reviews.	Grade 1 (Operation)	Stephen Baillie, Senior Manager of Purchasing Receivables Cash Services	31 July 2022
1.2	Police Scotland should determine the authorisation pathway for the draft Cash Management and Banking policy and establish a timetable for its approval and implementation.	The draft policy is currently going through Final Senior Management Quality Assurance review with a view to being approved and published in July 22, with an implementation date of August 22.	Grade 1 (Operation)	Craig Pollock, Senior Manager: Accounting & Control Services	31 July 2022

<p><b>3.1</b></p>	<p>Police Scotland should periodically review the customer details held within EFinancials, and ensure that any which are no longer correct or appropriate for use are flagged such that they cannot be used to raise invoices.</p>	<p>The cleansing of Customer records will become subject to regular review. All dormant records will be 'Marked for Deletion', making them inaccessible to Users. The Mark for Deletion process already forms part of Accounts Payable Housekeeping operations. The task of cleansing Customer records was begun on 17th June 2022. Date for completion of the exercise is 30th June 2022.</p>	<p>Grade 1 (Operation)</p>	<p>Stephen Baillie, Senior Manager of Purchasing Receivables Cash Services</p>	<p>30 June 2022</p>
<p><b>6.1</b></p>	<p>We recommend that Police Scotland develop appropriate metrics around the core financial processes of income collection and debtor management, and track and report these within the relevant functional teams.</p> <p>Development of metrics should include consideration of criteria for escalation to Senior Management.</p>	<p>Financial Transactions are currently focussing on improving MI in all of its Departments. Initial discussions regarding Accounts Receivable management information have taken place. A meeting will take place on 23rd June 22 to agree what MI to capture, and how this will be presented. A draft MI report will be circulated within Financial Transactions in July. A final version of Accounts Receivable metrics will be made available before the end of August 2022.</p>	<p>Grade 2 (Design)</p>	<p>Stephen Baillie, Senior Manager of Purchasing Receivables Cash Services</p>	<p>31 August 2022</p>

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# Scottish Police Authority

Internal Audit Report 2022/23

## Business Continuity Planning - Police Scotland and Scottish Police Authority

July 2022





# Scottish Police Authority

## Internal Audit Report 2022/23

### Business Continuity Planning - Police Scotland and Scottish Police Authority

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<b>Audit Sponsor</b>	<b>Key Contacts</b>	<b>Audit team</b>
<i>ACC Mark Williams, Police Scotland</i>	<i>Chief Superintendent Sharon Milton, Head of EERP  Graham Stickle, Risk and Policy Specialist (SPA)</i>	<i>Paul Kelly, IT Audit Director  Ashley Bickerstaff, IT Audit Manager  Ruaridh Stewart, IT Auditor  Connie Roberts, IT Auditor  Natasha Williams, IT Auditor</i>

# Executive Summary

## Conclusion

**Our review found that Business Continuity arrangements are well established within Police Scotland and Scottish Police Authority. The approach in place is shared across both organisations and is a “hub and spoke” model. There is central management and oversight in place with divisional responsibilities for the management of business continuity activities.**

**We noted during our review that although Business Continuity Plans (BCPs) are in place and created on the foundation of Business Impact Assessments across all divisions, there is no assurance over Recovery Time Objectives (RTOs) - a key element of the plans. RTOs are time durations within which a business process must be restored after a disruptive event to avoid a break in business continuity. There has not been any process undertaken to confirm whether the RTOs contained within BCPs are achievable when compared against IT recovery and resilience capabilities.**

**We also noted that Digital Division does not have an overarching IT Disaster Recovery plan in place.**

## Background and scope

The ability to be able to respond to unexpected events and provide continuity of service is critical to organisations and it is essential that formal plans and procedures exist to support it in the event of a disaster.

The effectiveness of these plans requires a structured and methodical approach to identifying critical business processes, contingent resources, and optimal recovery strategies as well as robust maintenance and test processes.

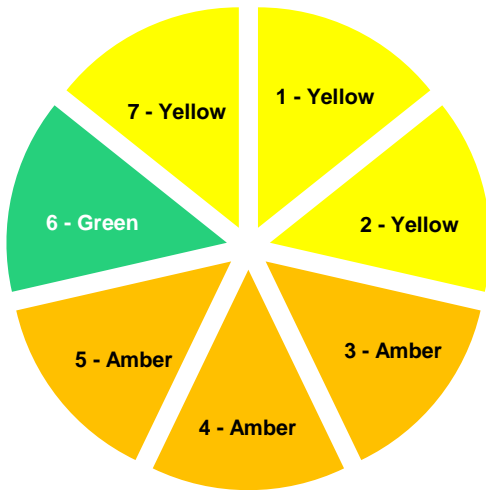
The response to Covid-19 has identified the need for business continuity planning to have a greater focus on organisational resilience, particularly relating to core operations, people, information and supply chain.

Many organisations found themselves unable to leverage their business continuity plans in responding to Covid-19 as they were designed around specific events e.g. fire, loss of power etc. This has highlighted the need for organisations to take a risk-based approach, ensuring that there is increased focus on having plans in place for critical business activities.

The review assessed the extent to which an effective Business Continuity Management framework has been implemented within SPA (Corporate), Forensic Services and Police Scotland. The review considered how approaches to business continuity have learned lessons from the response to the Covid-19 pandemic, including approaches to organisational resilience.

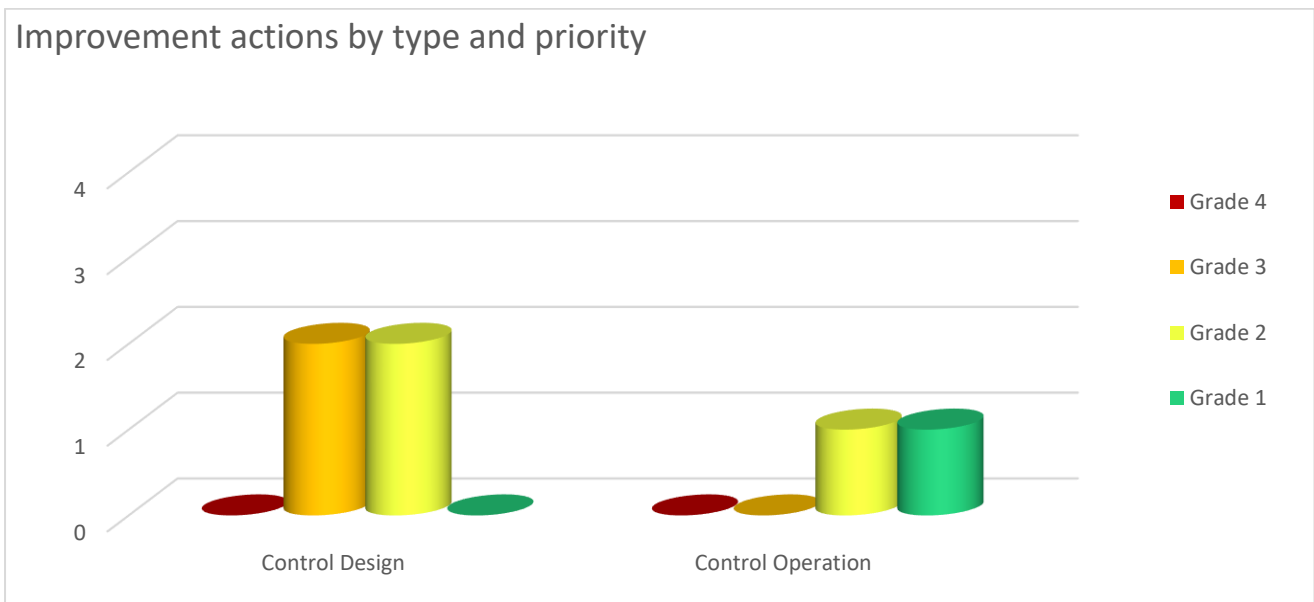
This report documents the outputs specific to Police Scotland and SPA (Corporate). In relation to business continuity SPA align with Police Scotland and due to this a combined report has been produced.

# Control assessment



- 1. A Business Continuity Management framework, including organisational resilience, policy and governance arrangements, has been implemented. This has been updated in light of lessons learned from the response to Covid-19.
- 2. Business continuity roles and responsibilities are clearly assigned.
- 3. Business Continuity Plans demonstrate a comprehensive understanding of the organisation, identifying the key services, as well as the critical activities that support them.
- 4. Comprehensive and robust recovery strategies and plans have been developed to manage the initial response to an incident and to ensure the continuity and recovery of critical activities.
- 5. There are formal processes through which IT resilience and recovery expectations set out within plans are validated with Digital Division.
- 6. Effective processes exist to confirm business continuity plans are kept up-to-date.
- 7. Business continuity plans are regularly exercised and updated in response to lessons learned from exercises.

## Improvement actions by type and priority



Six improvement actions have been identified from this review, two of which relate to compliance with existing procedures, rather than the design of controls themselves. See Appendix A for definitions of colour coding.

## Key findings

### Good practice

Our review has identified areas of good practice within Police Scotland and SPA's control framework:

- Business Continuity Plans are reviewed annually with oversight of the review and refresh of plans centrally.

### Areas for improvement

We have identified areas for improvement which, if addressed, would strengthen Police Scotland and SPA's control framework. These include:

- Although Recovery Time Objectives (RTOs) are defined within Business Impact Assessments and Business Continuity Plans, there has not been any process undertaken to confirm that these are achievable when compared against IT resilience and recovery arrangements in place. We also noted that Recovery Point Objectives (RPOs) – the maximum amount of data that can be lost defined by time - have not been defined for any business process.
- Supplier business continuity arrangements are assessed as part of the procurement of services. However, there is no ongoing assurance activity as part of the internal BCP review process to confirm that suppliers maintain and exercise their own business continuity arrangements during the course of the contract.
- There is currently no overarching IT Disaster Recovery Plan in place within Digital Division to outline the recovery priorities for systems across the organisation and inter-dependencies.

These are further discussed in the Management Action Plan below.

### Best value

The events of the past two years in responding to the Covid-19 pandemic has highlighted the importance of organisations maintaining and exercising business continuity plans. It has also emphasised why it is vital for organisations to consider resilience within critical business activities.

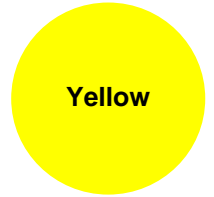
We have determined that, overall, the foundations of good business continuity management arrangements within Police Scotland and SPA are in place. However, there is a need for IT resilience and recovery requirements to be more clearly defined and then confirmed as being achievable. This will allow management to gain assurance that core elements of their BCPs are capable of supporting the response to an incident. Alternatively, where there is a gap in IT resilience capability, management can assess opportunities for further recovery strategies and/or operational resilience arrangements that they can implement to reduce the impact on critical business processes. It will also be important for management to recognise the increased supply chain and use of third parties for service provision. Management will need to ensure that business continuity plans reflect this and that appropriate supply chain assurance arrangements are in place.

## Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

# Management Action Plan

Control Objective 1: A Business Continuity Management framework, including organisational resilience, policy and governance arrangements, has been implemented. This has been updated in light of lessons learned from the response to Covid-19.



## 1.1 Business Continuity Management Policy and Framework

Police Scotland has a Divisional Guidance document in place for Business Continuity Management (BCM). This is regarded within Police Scotland as being the source of business continuity policy requirements. The Scottish Police Authority (SPA) aligns with Police Scotland Divisional Guidance in their approach to BCM.

The guidance documents the approach to BCM, legal and regulatory requirements, roles and responsibilities, and the invocation and escalation of business continuity. This also contains templates for Business Impact Assessments (BIAs) and Business Continuity Plans (BCPs).

In recognition of the need for specific policy, Police Scotland is in the process of developing a Business Continuity Policy. We noted that there is no formal timescale set for the finalisation of this.

As part of our audit work, we reviewed strategic, organisational and divisional risk registers, and noted that there are no specific business continuity-related risks recorded within any of them.

### Risk

Without a business continuity policy and framework in place, staff may not be aware of their requirements to fully prepare to respond to a business disruption and be clear on roles and responsibilities for developing, maintaining, and testing BCPs. There is an increased risk that the organisation will not be able to react effectively to different types of events, resulting in prolonged business disruption and financial and reputational damage. There is also a risk that management do not adequately identify and record business continuity risks. This could result in opportunities being missed to enhance resilience arrangements and/or to implement risk mitigations.

### Recommendation

We recommend that Police Scotland, with support and input from SPA, develops and implements a Business Continuity policy and framework. This should include:

- Purpose of the policy
- Objectives and Definitions
- Roles and Responsibilities
- Reporting and governance arrangements
- Incident Management
- Business Continuity Management process and lifecycle
- Testing

- Monitoring
- Evaluation
- How and when to update Business Continuity Plans
- Training

The Divisional Guidance already addresses a number of these areas, and we recommend that the content is reviewed and used as the basis for developing the Business Continuity Policy and Framework.

We recommend that Police Scotland and SPA management identify and record any risks relating to business continuity within relevant risk registers.

**Management Action**

Grade 2  
(Design)

Management accepts this recommendation.

We will review our Divisional Guidance in respect of Business Continuity and update with a Policy and Framework as recommended.

In conjunction with the Risk Management Team, we will carry out a risk review relating to Business Continuity.

**Action owner:** Superintendent EERP West

**Due date:** January 2023

## Control Objective 2: Business continuity roles and responsibilities are clearly assigned.

Yellow

### 2.1 Business Continuity Training

We found that the roles and responsibilities for key Business Continuity roles are defined within the Divisional Guidance. There is a Guidance Manual which provides further details of who the expected role holders would be.

As part of our audit we interviewed ten Business Continuity Coordinators (BCCs). Their role is largely an administrative one and they have responsibility for maintenance and exercising of plans as well as stakeholder engagement. They are the single point of contact for Business Continuity Officers.

Our review noted that for both SPA and Police Scotland training for BCCs and other key Business Continuity roles is not in place. Of the ten BCCs interviewed as part of the audit, only three had been trained.

The training program for both Police Scotland and SPA BCCs had been paused due to the impact of COVID-19, with training scheduled to resume later this year.

#### Risk

If key Business Continuity role holders are not routinely trained, then there is a risk that staff will not have the knowledge needed to manage Business Continuity within their areas. This could result in ineffective BIAs and BCPs which could impact the organisation's ability to maintain and recover services in the event of a disruptive incident.

#### Recommendation

We recommend that a training programme for key Business Continuity role holders is reintroduced to ensure that all current role holders are aware of key Business Continuity information, their roles and responsibilities and how to manage Business Continuity within their function. Furthermore, training should be refreshed on a regular basis.

We also recommend that all new staff who are assigned business continuity responsibilities are provided with appropriate training.

Grade 2  
(Operation)

**Management Action**

Management accepts this recommendation.

We will reintroduce a training programme and explore options for how this should be refreshed to include the method of delivery.

We will review our processes to ensure newly appointed Business Continuity role holders are provided with training at the earliest possible time. This training requirement will be built into our Business Continuity framework.

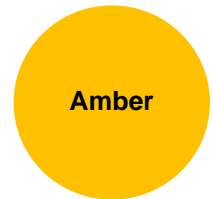
**Action owner:** Superintendent EERP West

**Due date:** October 2022



Control Objective 3: Business Continuity Plans demonstrate a comprehensive understanding of the organisation, identifying the key services, as well as the critical activities that support them.

Control Objective 4: Comprehensive and robust recovery strategies and plans have been developed to manage the initial response to an incident and to ensure the continuity and recovery of critical activities.



Control Objective 5: There are formal processes through which IT resilience and recovery expectations set out within plans are validated with Digital Division.

### 3.1 Assurance over recovery and resilience expectations

Both Police Scotland and SPA do not have a formal process to gain assurance that the Recovery Time Objectives (RTOs) for ICT systems that have been set within the BIA/BCP are achievable. RTO is the time duration within which a business process must be restored after a disruptive event to avoid a break in business continuity. There is no formal engagement with the Digital Division to assess the RTOs against the resilience and recovery arrangements in place.

We also noted that Recovery Point Objectives (RPOs), the amount of time that can pass during an event before data loss exceeds that tolerance, have not been defined for business applications within either Police Scotland or SPA BIAs/BCPs.

We also noted that Digital Division does not have an overarching IT Disaster Recovery plan. Disaster Recovery is managed on an application basis with no holistic view or oversight of the recovery processes in place for infrastructure or in terms of recovery priorities and dependencies.

#### Risk

Without formal processes to confirm resilience and recovery capabilities for key business applications, Police Scotland and SPA do not have assurance that their proposed recovery measures are capable of restoring business services. This could result in reputational damage if there was prolonged service disruption / outage.

There is also a risk that without an overarching IT Disaster Recovery plan, recovery of applications will be fragmented and inefficient due to lack of awareness of inter-dependencies.

**Recommendation**

We also recommend that RPOs are defined in line with the results of the BIAs and are recorded within business continuity documentation to set out the maximum amount of data (within each business-critical process) that could be lost in terms of time.

We recommend that Police Scotland introduces a formal process to ensure that all technology-related recovery expectations (RTO and RPO) set out in BIAs and BCPs are reviewed against Digital Division resilience and recovery capabilities to assess whether the expectation can be met. Where recovery expectations are not in line with what is achievable, management will need to consider alternative continuity strategies or to invest in increased IT resilience or recovery capability

We recommend that the Digital Division should create an overarching Disaster Recovery Plan that documents the Disaster Recovery strategy, priorities and dependencies for applications and infrastructure. This plan should identify the system dependencies within the organisation and recovery priorities for systems.

**Management Action**

Grade 3  
(Design)

Management accepts this recommendation

We will review our RTO and RPO timescales against Digital Division resilience to ensure these timescales are realistic and achievable. As part of our Business Continuity framework we will include a formal process for review and assessment of RTOs against Digital Division resilience.

Digital Division create an overarching Disaster Recovery Plan

**Action owner:** Chief Operating Officer, Police Scotland

**Due date:** August 2023

## **3.2 Business Continuity Assurance Activities**

The Business Continuity plans sampled in this review have been developed to aid in the management of initial responses to an incident or disruption. The plans include:

- Escalation procedures
- Business Continuity Management Team (BCMT) guidance
- BCMT contacts and their details, with meeting point and grab bag locations
- Out of hours contact details
- Business Impact Analysis with priorities, recovery times and action lists
- Supplier and Single Point of Failure details
- Fallback accommodation details

From our review of Police Scotland and SPA BCPs, we found that critical suppliers are identified within the Business Impact Assessments.

The procurement process is designed to ensure that business continuity requirements set by the organisation are addressed by successful suppliers. We noted that, once a supplier is appointed, there is no formal process within the Police Scotland / SPA business continuity review activity to confirm that suppliers can demonstrate that they have maintained and exercised business continuity plans.

### **Risk**

There is a risk that if supplier's Business Continuity processes and plans are not routinely assessed on an ongoing basis then in the event of a disruption suppliers may not be able to meet contractual obligations. This could result in disruption to key Police Scotland and/or SPA services.

### **Recommendation**

We recommend that Police Scotland and SPA introduce, using a risk-based approach, an ongoing validation of supplier Business Continuity arrangements. This should form part of the BCP review process. This process should seek to gain assurance that suppliers have maintained and exercised their own business continuity plans. This should involve a review of business continuity plans, exercising of plans and processes to assess whether suppliers will be able to continue to support the business in the event of a disruption to the supply chain.

Grade 3  
(Design)

**Management Action**

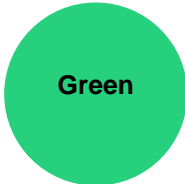
Management accepts this recommendation.

We will introduce a risk-based approach to assessing suppliers. As part of our Framework we will ensure contract owners consider the testing of supplier Business Continuity practices.

We will consider supplier business continuity practices/policies during the ongoing review of contracts.

**Action owner:** Head of Procurement

**Due date:** January 2023



## Control Objective 6: Effective processes exist to confirm business continuity plans are kept up-to-date.

### 6.1 BCP and BIA Review Process

Both Police Scotland and SPA have a formal review cycle in place for all BCPs with an annual review coordinated centrally.

#### SPA

The review of the SPA BCP is coordinated by the BCC with direct input from the Managers of each team. The updated plan is then reviewed by Senior Management and approved. Then submitted to the Business Continuity Officer(s).

#### Police Scotland

The BCPs are reviewed by the division, approved by the plan holder and then submitted to the Business Continuity Officer(s).

From sample testing we found that eight of the ten plans sampled had been reviewed and approved by the plan owner and submitted to the Business Continuity Officer(s). The two remaining were not yet due for review as per their cycle.

We found that in the sampled plans that although there is an update log to track plan reviews this has not been completed consistently when reviews have been undertaken.

#### Risk

There is an increased risk that without documenting the review of plans it may be unclear when plans were last reviewed resulting in gaps in oversight and governance of plan review cycles.

#### Recommendation

Police Scotland should ensure that, when undertaking reviews of plans, sign off is completed for every area where it is required and recorded in the relevant tracking sections (approval log and BIAs).

#### Management Action

Management accepts this recommendation.

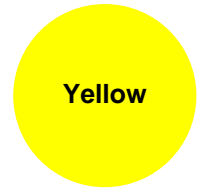
We will review our processes and improve our recording of information. We will build the need for record keeping into initial and refresh training of Business Continuity officers.

**Action owner:** Superintendent EERP West

**Due date:** October 2022

Grade 1  
(Operation)

## Control Objective 7: Business continuity plans are regularly exercised and updated in response to lessons learned from exercises.



### 7.1 Business Continuity Testing

The Divisional Guidance documents the requirement for a programme of testing to be developed and that all BCPs should be tested annually. A schedule of testing has not been established.

Testing of Police Scotland and SPA BCPs was performed in 2020 for COVID-19 and 2021 for COP26 on a National level. Both tests were tabletop exercises with lessons learned and actions tracked. Following a test, there are formal reports produced and presented.

#### Risk

There is a risk that without formally evaluating the BCPs through testing, Police Scotland and SPA will not be fully aware of the effectiveness of the plans in the event of a business disruption. This could result in plans not being capable of supporting an effective and efficient response to a business disruption.

#### Recommendation

We recommend that a formal programme of testing business continuity plans is developed and implemented. Outcomes of the testing should be reported back to the division's leadership and the Business Continuity management officers. The range of tests should include live testing, and simulations of different scenarios. Testing should be risk-based and targeted for those areas of the organisation that are identified as being most susceptible to an incident and/or would suffer the most adverse consequences.

Live testing seeks to recreate a realistic threat to Business Continuity. These tests should, where possible, closely simulate an actual incident to provide assurance that BCPs will aid the return of disrupted business critical services. Tests of plans should also consider involvement of areas that provide services to and from the areas under test, including IT representation to provide additional challenge, where assumptions may be made across areas. We also recommend where testing, assumptions should be subject to challenge.

The outcomes of testing, as well as responses to live business disruptions, should be formally documented and identify 'lessons learned' with actions from these tracked to completion, including updates to BCP documentation.

**Grade 2  
(Design)**

**Management Action**

Management accepts this recommendation.

We will develop and implement a risk-based schedule of testing. We will develop processes for reporting outcomes of testing to Divisional leadership and the Business Continuity Team (included within the update guidance and policy framework).

We will consider a range of testing methods including an assessment on any live testing but only following a thorough risk assessment.

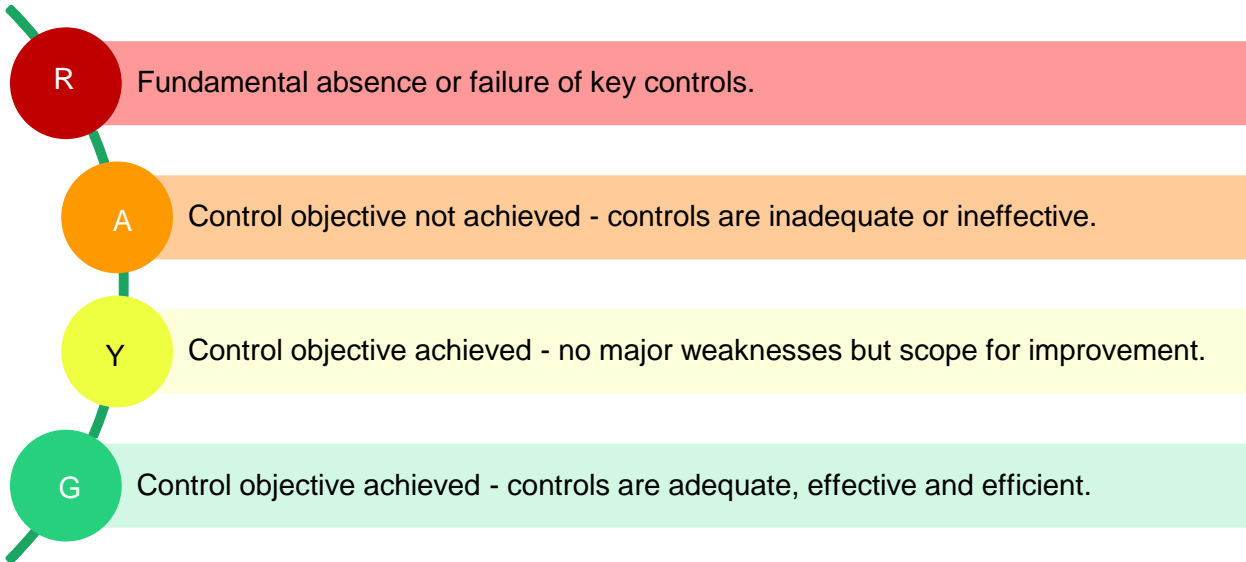
We will carry out benchmarking across the organisation to develop a lessons learned process.

**Action owner:** Superintendent EERP West

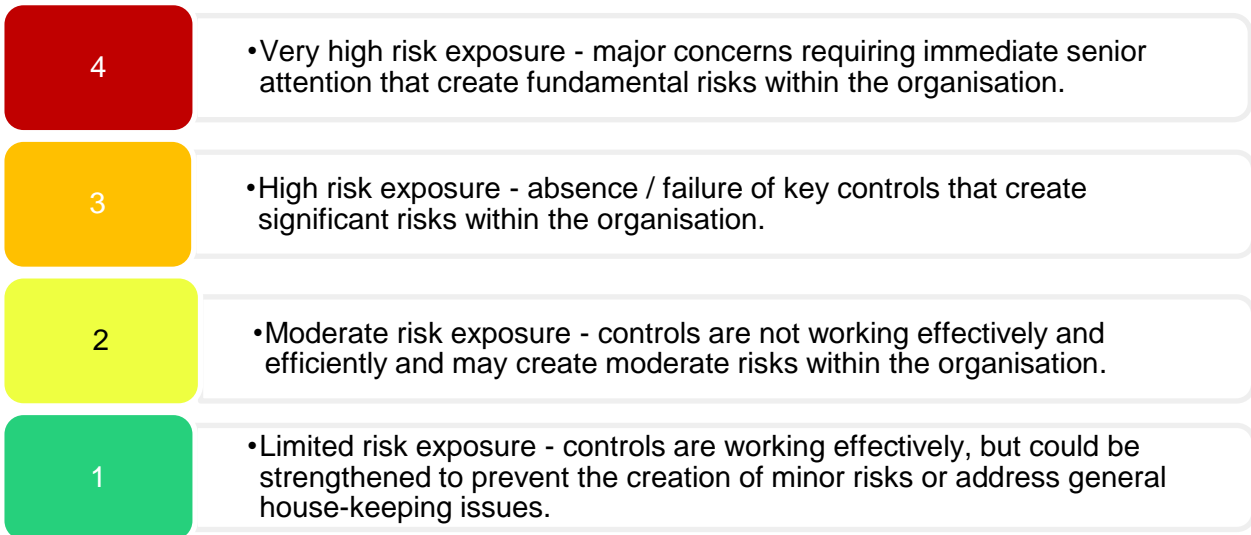
**Due date:** December 2022

# Appendix A – Definitions

## Control assessments



## Management action grades





## Appendix B – Summary of management actions

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP1.1	<p>We recommend that Police Scotland, with support and input from SPA, develops and implements a Business Continuity policy and framework. This should include:</p> <ul style="list-style-type: none"> <li>• Purpose of the policy</li> <li>• Objectives and Definitions</li> <li>• Roles and Responsibilities</li> <li>• Reporting and governance arrangements</li> <li>• Incident Management</li> <li>• Business Continuity Management process and lifecycle</li> <li>• Testing</li> <li>• Monitoring</li> <li>• Evaluation</li> <li>• How and when to update Business Continuity Plans</li> <li>• Training</li> </ul> <p>(continued over)</p>	<p>Management accepts this recommendation.</p> <p>We will review our Divisional Guidance in respect of Business Continuity and update with a Policy and Framework as recommended.</p> <p>In conjunction with the Risk Management Team, we will carry out a risk review relating to Business Continuity.</p>	Grade 2 (Design)	Superintendent EERP West	January 2023

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP1.1 cont.	<p>The Divisional Guidance already addresses a number of these areas, and we recommend that the content is reviewed and used as the basis for developing the Business Continuity Policy and Framework.</p> <p>We recommend that Police Scotland and SPA management identify and record any risks relating to business continuity within relevant risk registers.</p>				

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP2.1	<p>We recommend that a training programme for key Business Continuity role holders is reintroduced to ensure that all current role holders are aware of key Business Continuity information, their roles and responsibilities and how to manage Business Continuity within their function. Furthermore, training should be refreshed on a regular basis.</p> <p>We also recommend that all new staff who are assigned business continuity responsibilities are provided with appropriate training.</p>	<p>Management accepts this recommendation.</p> <p>We will reintroduce a training programme and explore options for how this should be refreshed to include the method of delivery.</p> <p>We will review our processes to ensure newly appointed Business Continuity role holders are provided with training at the earliest possible time. This training requirement will be built into our Business Continuity framework.</p>	Grade 2 (Operation)	Superintendent EERP West	October 2023

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP3.1	<p>We also recommend that RPOs are defined in line with the results of the BIAs and are recorded within business continuity documentation to set out the maximum amount of data (within each business-critical process) that could be lost in terms of time.</p> <p>We recommend that Police Scotland introduces a formal process to ensure that all technology-related recovery expectations (RTO and RPO) set out in BIAs and BCPs are reviewed against Digital Division resilience and recovery capabilities to assess whether the expectation can be met. Where recovery expectations are not in line with what is achievable, management will need to consider alternative continuity strategies or to invest in increased IT resilience or recovery capability. (continued over)</p>	<p>Management accepts this recommendation</p> <p>We will review our RTO and RPO timescales against Digital Division resilience to ensure these timescales are realistic and achievable. As part of our Business Continuity framework we will include a formal process for review and assessment of RTOs against Digital Division resilience.</p> <p>Digital Division create an overarching Disaster Recovery Plan.</p>	Grade 3 (Design)	Chief Operating Officer, Police Scotland	August 2023

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP3.1 cont.	We recommend that the Digital Division should create an overarching Disaster Recovery Plan that documents the Disaster Recovery strategy, priorities and dependencies for applications and infrastructure. This plan should identify the system dependencies within the organisation and recovery priorities for systems.				

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP3.2	<p>We recommend that Police Scotland and SPA introduce, using a risk-based approach, an ongoing validation of supplier Business Continuity arrangements. This should form part of the BCP review process. This process should seek to gain assurance that suppliers have maintained and exercised their own business continuity plans. This should involve a review of business continuity plans, exercising of plans and processes to assess whether suppliers will be able to continue to support the business in the event of a disruption to the supply chain.</p>	<p>Management accepts this recommendation.</p> <p>We will introduce a risk-based approach to assessing suppliers. As part of our Framework we will ensure contract owners consider the testing of supplier Business Continuity practices.</p> <p>We will consider supplier business continuity practices/policies during the ongoing review of contracts.</p>	Grade 3 (Design)	Head of Procurement	January 2023
MAP6.1	<p>Police Scotland should ensure that, when undertaking reviews of plans, sign off is completed for every area where it is required and recorded in the relevant tracking sections (approval log and BIAs).</p>	<p>Management accepts this recommendation.</p> <p>We will review our processes and improve our recording of information. We will build the need for record keeping into initial and refresh training of Business Continuity officers.</p>	Grade 1 (Operation)	Superintendent EERP West	October 2022

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP7.1	<p>We recommend that a formal programme of testing business continuity plans is developed and implemented. Outcomes of the testing should be reported back to the division's leadership and the Business Continuity management officers. The range of tests should include live testing, and simulations of different scenarios. Testing should be risk-based and targeted for those areas of the organisation that are identified as being most susceptible to an incident and/or would suffer the most adverse consequences.</p> <p>Live testing seeks to recreate a realistic threat to Business Continuity. These tests should, where possible, closely simulate an actual incident to provide assurance that BCPs will aid the return of disrupted business critical services. (continued over)</p>	<p>Management accepts this recommendation.</p> <p>We will develop and implement a risk-based schedule of testing. We will develop processes for reporting outcomes of testing to Divisional leadership and the Business Continuity Team (included within the update guidance and policy framework).</p> <p>We will consider a range of testing methods including an assessment on any live testing but only following a thorough risk assessment.</p> <p>We will carry out benchmarking across the organisation to develop a lessons learned process.</p>	Grade 2 (Design)	Superintendent EERP West	December 2022

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
MAP7.1 cont.	<p>Tests of plans should also consider involvement of areas that provide services to and from the areas under test, including IT representation to provide additional challenge, where assumptions may be made across areas.</p> <p>We also recommend where testing, assumptions should be subject to challenge.</p> <p>The outcomes of testing, as well as responses to live business disruptions, should be formally documented and identify 'lessons learned' with actions from these tracked to completion, including updates to BCP documentation.</p>				



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# Scottish Police Authority

## Internal Audit Report 2022/23

### Vetting

June 2022



# Scottish Police Authority

## Internal Audit Report 2022/23

### Vetting

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<b>Audit Sponsor</b>	<b>Key Contacts</b>	<b>Audit Team</b>
<i>Alan Speirs, ACC Professionalism and Assurance</i>	<i>Chief Superintendent John Paterson, Head of PSD  Detective Chief Inspector Michelle Findlay  Force Vetting Manager, Force Vetting Coordinator, and Senior Vetting Officers</i>	<i>Elizabeth Young, Chief Internal Auditor  Rachael Weir, Senior Audit Manager  Lauren MacLean and Eilidh Kerr, Internal Auditors  Laura O'Donnell, Data Analyst</i>

# Executive Summary

## Conclusion

**At the outset of this review, management highlighted a number of concerns about the level of demand on the Vetting Unit and the knock-on impact of long vetting processing times on the business. In particular we were aware of anecdotal evidence that delays in vetting have resulted in candidates withdrawing from vacant posts, creating resourcing pressures.**

**We have found however that whilst overall vetting volumes have continued to increase during 2022 to date, applications are being processed much more quickly than compared with prior years. We also found that the work in progress is reducing. This suggests a historic issue that at the time of the audit, was on an improving trajectory. We are aware of other actions recently taken by management that should improve the situation further.**

**We also reviewed the operation of the Force Vetting Unit and identified a number of significant recommendations that impact both the vetting unit itself and the wider organisation. A number of these relate to the need to proactively manage vetting demand and plan resource accordingly, as well as supporting the organisation to engage effectively with the vetting process.**

## Scope

Policing requires access to sensitive information and to vulnerable individuals. Accordingly, the Scottish Police Authority (SPA) and Police Scotland must ensure that they maintain the highest levels of honesty and integrity amongst anyone working with, or for, the Police.

Vetting is undertaken on police officers, special constables, police staff, contractors and suppliers to help identify, assess, and manage risk relating to areas including:

- national security;
- public safety;
- public confidence;
- protection of organisational assets;
- operational safety;
- leadership;
- corruption/coercion; and
- integrity.

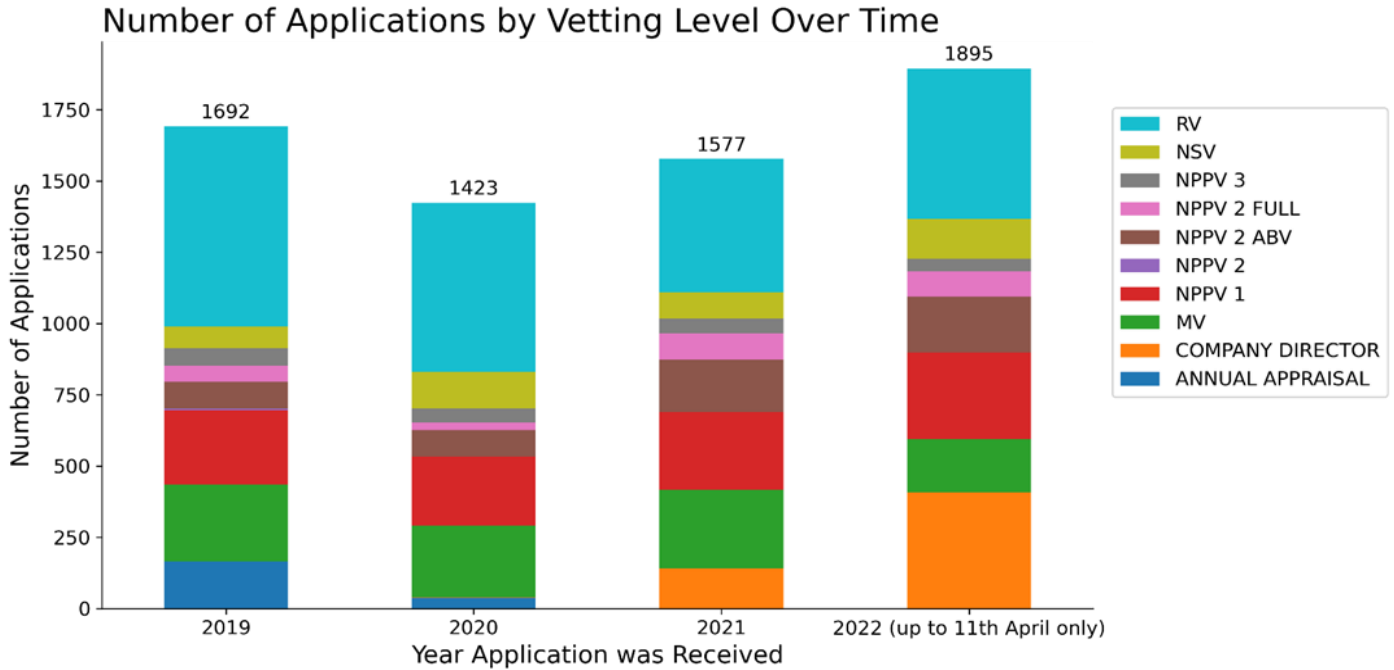
It is vital that the organisation's processes for vetting both individuals and companies work efficiently and effectively, to enable SPA and Police Scotland access to the personnel they require whilst mitigating the risk of corrupt, dishonest, unethical, or unprofessional behaviour.

In line with the 2022/23 Internal Audit Plan, we have reviewed the vetting processes for staff, officers, contractors and suppliers. Our audit has focused on the level of organisational demand for vetting, engagement between the wider organisation and the Force Vetting Unit (FVU) and the extent to which the structure of the FVU is geared towards meeting that demand.

## Background

To provide context for our audit work, we analysed datasets that provide a snapshot of the pressures faced by the FVU since the transfer of supplier vetting in 2021 alongside increased numbers of business as usual applications.

The graph below displays the number of applications received in the quarter from January to April each year by

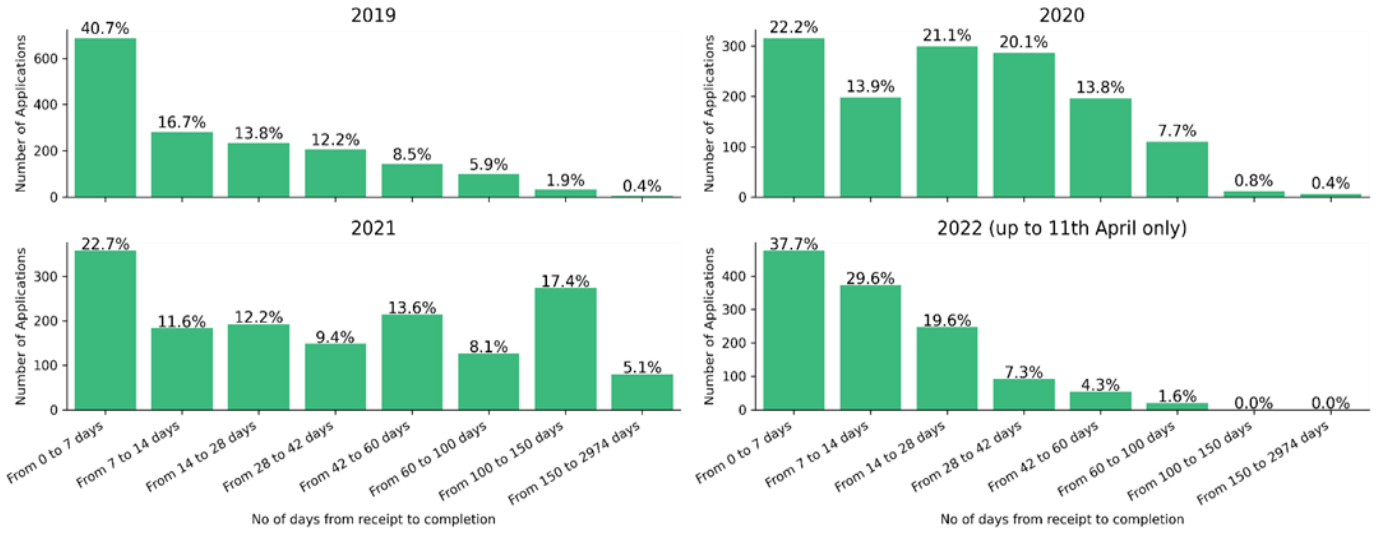


level, illustrating the ongoing pressures faces by the FVU and the need for robust planning and prioritisation processes. This highlights the impact of supplier vetting in particular on volumes.

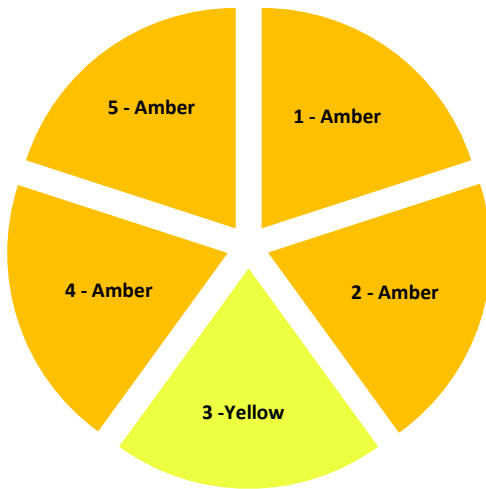
We also considered the efforts of the FVU to manage the increasing workload by reviewing applications received between January and April each year and the number of days taken to process:

The graphs below show that despite the increased volumes, almost 40% of applications received to date in 2022 have been processed in under a week and almost 70% of applications have been processed within 14 days. This is the strongest performance of the four years reviewed by some margin.

Vetting Applications: Number of Days From Receipt to Completion by Year Application was Received

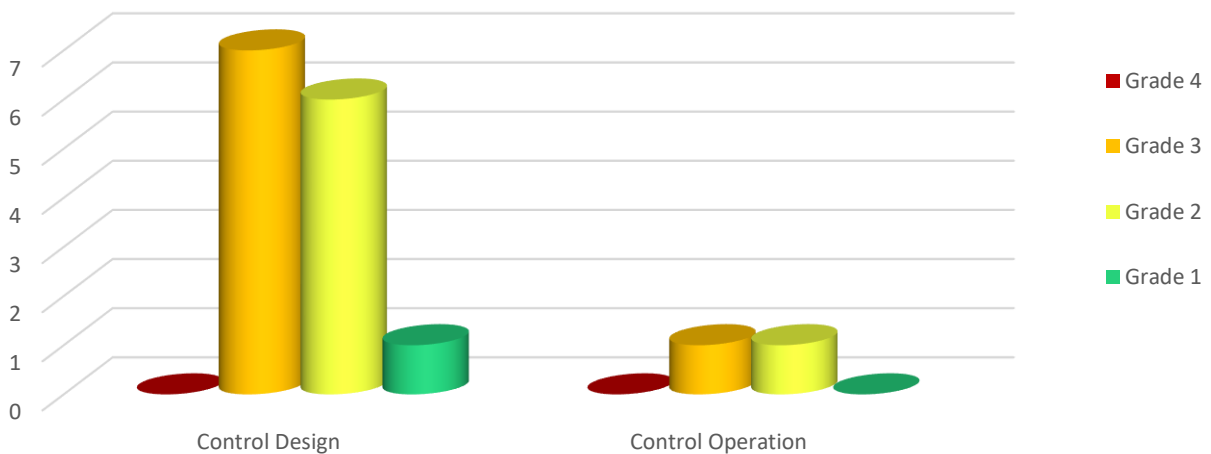


## Control assessment



- 1. There is clarity over the appropriate level of vetting required for all vetting applicants, including designated posts, and checks are in place to ensure that individuals receive the appropriate level of vetting
- 2. There is a clear approach to prioritisation so that vetting applications can be triaged and assigned a priority, to ensure they are processed in line with business need
- 3. Management proactively monitor the performance of the vetting unit and the workloads of vetting officers, as well as the volume and age of applications, to ensure that backlogs do not accrue
- 4. There is engagement between the organisation/sponsors and the vetting unit to ensure that the vetting unit can appropriately predict demand, including significant one-off exercises
- 5. Management has reviewed and benchmarked the size and shape of the workforce in relation to the level of demand on the unit, to ensure vetting applications can be processed on a timely basis and in line with business need

## Improvement actions by type and priority



We have identified 17 improvement actions from this review, two of which relate to improving compliance with existing procedures. The remaining 15 actions represent opportunities to improve the design of controls and support wider efficiency within vetting processes. See Appendix A for definitions of colour coding.

# Key findings

## Good practice

- Despite the widespread level of concern shared with us around the time taken to process vetting applications, our analysis found an improving picture of performance within the FVU. Since the beginning of calendar year 2022, 38% of vetting applications have been completed within seven days of receipt, with a further 30% completed between seven and fourteen days of receipt.
- The FVU is currently working with a consultancy firm to test a Process Automation tool for Recruitment Vetting (RV). If successful, this would greatly reduce the time vetting officers spend on administrative functions, thereby reducing the time taken per application. At present it is difficult to accurately predict or quantify the effectiveness of the automation tool in terms of time savings, but it is hoped that automating some administrative functions will have a long term benefit on service delivery. It should be noted, the process automation tool does not influence / impact on decision making processes.
- In order to meet Police Officer intake numbers, Senior Vetting Officers meet with Police Officer Recruitment teams on a fortnightly basis to ensure the FVU is sighted on upcoming demand and any issues relating to the vetting of new officers are resolved promptly. Police Officer vetting is treated as a priority by the FVU to ensure that intake numbers can be achieved.
- We noted that the Head of Estates provided the Vetting Unit with advanced notice of likely increased demand for vetting when the Soft Facilities Management tender was issued. This included notification of key milestones within the tender process and anticipated impact on Vetting between December 2022 and April 2023. We have highlighted this as an example of good practice in terms of the business proactively engaging with the FVU around their needs, enabling the unit to plan accordingly.
- In response to events elsewhere in the United Kingdom, including the conviction and sentencing to life imprisonment of a former police officer in London, and other high-profile reports of police officers engaging in criminal activity, Police Scotland reviewed its approach to renewals of Recruitment Vetting (RV) clearance. This is despite renewals of RV clearance not being a requirement of Police Scotland under the current vetting manual or that of any legacy force in Scotland.
- A paper was presented to the Senior Leadership Board on 13 April 2022, requesting approval to introduce a new approach that would result in a random sample of 3-5% of officers and staff each year selected to undergo the RV renewal process. Whilst Forces elsewhere in the UK are mandated to undertake RV renewals at 10-year intervals, Police Scotland has never been required to undertake renewals of RV clearance. The proposed random sampling approach will therefore strengthen the Police Scotland approach to Recruitment Vetting, at a level above what is currently required.

## Areas for improvement

We have summarised below the most significant areas for improvement identified during our review which, if addressed, would strengthen Police Scotland's overall control framework:

- Police Scotland should undertake a review of the Designated Post list to ensure it accurately articulates those posts that are classed as "designated", and the associated level of vetting required in each case. The Designated Post list should also be subject to regular and ongoing review by the business to ensure it remains up to date and reflective of the most current arrangements.



## OFFICIAL

- The Supplier Vetting Manual sets out that Police Scotland currently vets suppliers with a contract value exceeding £5,000. We note that this is over and above the level adopted by other forces (generally £50,000) and recognise the additional vetting efforts undertaken by Police Scotland in this regard. However, we found that the Supplier Vetting Manual is unclear as to the approach to vetting suppliers with whom Police Scotland incurs cumulative spend exceeding £5,000.
- We recommend that Police Scotland undertakes a review of instances identified through our sample testing that identified a lack of supplier contract or vetting in place. Management should thereafter implement any remedial action.
- We recommend that the Force Vetting Unit develops a structured induction training programme, incorporating the mandated Police Scotland training and vetting specific training such as CHS and PND courses.
- The Force Vetting Unit should develop a formal approach to prioritisation, linked to the risks and objectives of the wider organisation. This should be communicated across Police Scotland to ensure consistency of understanding and allow expectation management.
- Police Scotland should encourage proactive communication with the Force Vetting Unit to allow planning and prioritisation of demand and resource. Vetting considerations should also be built into any project planning documentation and upcoming procurement plans shared with the FVU as early as possible within respective processes.

A number of the findings identified in this report are intended to better support the FVU in proactively planning resource to meet demand across the wider business. Once these recommendations have been implemented and there is a better understanding of the demand on the unit, Police Scotland should assess the extent to which the size and shape of the unit is geared to meet that need, informed by national benchmarking activity.

These, and a number of more minor findings, are explained further in the Management Action Plan to this report.

## Best value

In order to ensure the most efficient use of resources, it is essential the Police Scotland establishes robust and effective vetting arrangements that balance the need to ensure appropriate checks are undertaken on staff, suppliers and contractors with business-critical activity.

Our report has highlighted a number of areas for improvement targeted towards supporting the Force Vetting Unit to realise efficiencies within existing process and thereby more readily demonstrating compliance with the principles of best value.

## Impact on risk register

This review is linked to the following risks from the Police Scotland Operational Risk Register (as at April 2022):

## OFFICIAL

- PSD010: Vetting Demand - If there is not sufficient capacity within the vetting unit to process the demand for personal and supplier vetting in a timely manner, there is a risk of vetting request backlogs which may negatively impact on recruitment timescales and processes, ultimately reducing service delivery.

In addition, the Forensic Services Risk Register (at May 2022) also includes the following risk:

- There is a risk that recruitment of staff could be excessively delayed caused by long turnaround for staff vetting.

As noted earlier in this report, we have found there to be a reduction in vetting processing times during the calendar year to date which, along with the other improvements in train, may necessitate a reassessment of the risks noted above in due course.

Our audit has also identified a number of improvement actions targeted towards supporting more effective demand forecasting and clarification of vetting requirements as a means of minimising the likelihood of the Force Vetting Unit becoming overwhelmed and unable to meet business needs. As such, further work is required to ensure effective mitigation of these risks.

Implementation of the findings included within the Management Action Plan to this report will allow Police Scotland to strengthen the existing control environment in this area, which will be particularly important in working towards a UK standard of vetting.

## Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

# Management Action Plan

Control Objective 1: There is clarity over the appropriate level of vetting required for all vetting applicants, including designated posts, and checks are in place to ensure that individuals receive the appropriate level of vetting



Amber

## 1.1 Designated Posts

Police Scotland maintains a list of Designated Posts setting out those staff requiring access to sensitive information, intelligence, financial or operational assets and the associated level of vetting required. We were unable to confirm that this has been updated since its publication in 2014. As such, it is not reflective of current posts requiring an increased level of vetting.

We tested a sample of 24 positions included within the Designated Post list to confirm that the actual level of vetting clearance provided was as set out within the Designated Post list. We did not find any instances where a designated post holder did not hold a sufficient level of vetting clearance.

We found eight instances (33%) where the actual level of vetting clearance was higher than that articulated on the Designated Post list. We queried each exception with the Force Vetting Coordinator and found that in all cases, there was appropriate rationale as to why a higher level of vetting was required, for example, changes to role meaning that individuals require access to more sensitive information or where the individual has moved post and “carried” the higher level of vetting with them.

Our testing also identified four instances where the post no longer exists due to restructuring and so we were unable to confirm that the level of vetting was appropriate.

Additionally, when undertaking the sample testing, we encountered difficulty filtering the CoreVet system to identify individuals in designated posts. A Senior Vetting Officer explained that when entering the data into the CoreVet system, the ‘job title’ field is an open text box that allows any abbreviation of the job title, making it difficult to find in future.

### Risk

Without an accurate and up-to-date Designated Posts list, there is a risk that that individuals in posts requiring access to sensitive information are not vetted to an appropriate level which could result in inappropriate access to information, systems and/or other assets

Where individuals are vetted to a higher level than necessary for their role, this could result in inefficient use of Force Vetting resource as time is spent undertaking checks that are not required.

### Recommendation

Police Scotland should update the Designated Post list to accurately reflect those posts requiring access to sensitive information, intelligence, financial or operational assets and the associated level of vetting required. Once complete, the list should be subject to a regular review cycle to ensure vetting levels remain appropriate.

## OFFICIAL

The FVU should facilitate this exercise to provide support and information to the decision makers in each business area.

To improve efficiency, the Force Vetting Unit may also wish to consider implementing data input standards to be used when entering data into the system. This will allow checks to be carried out more easily in future.

### Management Action

Grade 3  
(Design)

Recommendation accepted.

1. We recognise the designated post list is in need of review and will undertake work to bring this up-to-date. We will review the policy in line with force risk appetite and update to support decision making on appropriate vetting levels.
2. Once the policy is reviewed and updated, we will co-ordinate the updating of existing designated posts in conjunction with business areas. This will be a significant undertaking but will ensure that all posts are updated in accordance with force policy and staff are accessing information appropriate to their role and level of vetting. We will introduce a process of regular review to ensure the list is kept up-to-date.
3. We will review data standards within CoreVet to ensure consistency and to support the easy identification of designated posts for future reviews.

**Action owner:** ACC Professionalism and Assurance

**Due date:** 1. December 2022  
2. July 2023  
3. December 2022

## **1.2 Cumulative spend with suppliers**

The Supplier Vetting Manual stipulates that any contract with a value exceeding £5,000 (excluding purchase or lease of land or buildings) requires supplier vetting. This involves checks being performed on the 'economic operator' and any person who is a member of the administrative, management or supervisory body of the economic operator. We note that this level of checking is at a relatively low level in the context of organisational expenditure, which reflects the overall importance Police Scotland has placed in this regard.

We noted, however that the manual does not require vetting of suppliers based on cumulative spend exceeding £5,000. Discussions with Procurement highlighted an instance where during the financial year 2021/22, the Force had purchased a total of £38,000 worth of goods comprised of several small spends under £5,000 with the same supplier. When the supplier was thereafter awarded a tendered contract with a value over £5,000, they were found not to meet vetting requirements and refused clearance.

### **Risk**

There is a risk that Police Scotland incurs spend with suppliers who do not meet vetting requirements caused by a failure to ensure that there is a clear approach to vetting for suppliers with whom multiple instances of "small spend" cumulatively exceed the £5,000 threshold. This could lead to reputational damage as a result.

### **Recommendation**

We understand that the Force Vetting Unit intends to undertake a further review of the supplier vetting process following the transfer of responsibility from the Disruption Unit in 2021. As part of this process, we recommend that the threshold for commencing supplier vetting is reviewed to ensure its ongoing appropriateness. Once agreed, this should be communicated to Vetting Officers, Procurement and the wider organisation to ensure consistency of understanding.

Thereafter, the Supplier Vetting Manual should be updated to reflect agreed vetting thresholds and provide guidance on the approach to monitoring cumulative spend with suppliers and any associated vetting implications.

**Management Action**

Recommendation accepted.

The Force Vetting Unit (FVU) plans to review the supplier vetting guidance and work with procurement colleagues to review the financial threshold for supplier vetting.

The FVU can insert guidance into the Supplier Vetting Manual on cumulative spends and can update the guidance generally when discussions are complete.

Procurement are aware that multiple transactions with the same supplier could exceed the £5,000 threshold which would require a contract to be put in place if a single purchase were to be made. This has been considered previously and options considered around whether all suppliers should be vetted at the time of adding to the finance system. However, the practicalities and minimal risk involved in such transactions has previously led to maintaining a policy of only conducting SOC vetting through a formal tender process which is required for contracts >£5,000.

There is a residual risk that many small, potentially unrelated, transactions with a particular supplier exceed the £5,000 contract value. This risk is managed via two main controls

1. A quarterly contract compliance report is run to identify any suppliers with whom more than £5,000 has been spent in the period. This is analysed by procurement to determine if any contracting action is required due to the aggregation of transactions.
2. The new P2P system recently deployed employs a pit stop process for all non-contract requisitions >£500 in value whereby procurement pro-actively review proposed non-contract purchases and direct these through the contracting (and therefore vetting) process or existing corporate contract if necessary.

Procurement are supporting the FVU with the ongoing review of the criteria to be utilised to determine when vetting should occur and will work with stakeholders across the organisation to implement any such additional measures required if the decision was taken to change the existing criteria for vetting to extend vetting to additional suppliers based on cumulative spend.

**Action owner:** Force Vetting Manager and Head of Strategic Procurement

**Due date:** October 2022

### 1.3 Supplier vetting

Having identified a lack of clarity within arrangements for ensuring appropriate supplier vetting takes place (per MAP 1.2 above), we obtained a list from Accounts Payable of all suppliers paid during financial year 2021/22 and amounts paid in each case. From this list, we selected a sample of 24 suppliers with total spend exceeding £5,000 and sought to confirm the extent to which each had been vetted. Of our sample, seven suppliers (29%) are exempt from vetting processes as:

- The payments were low value and related to professional fees and so not subject to procurement processes;
- Payments related to property or leases;
- Payments were made to hotels appointed by the Scottish Government for use during COP 26. Of the remaining 17 suppliers, we found that eight (47%) had been vetted before the contract was entered into.

The following issues were identified in the remainder of our sample:

- In three cases (17%), the contracts with suppliers pre-dated the transfer of responsibility for supplier vetting to the FVU. As such, we were unable to obtain evidence that suppliers had been vetted. The average spend with these suppliers during 2021/22 was almost £100,000.
- In four cases (23%), the suppliers were previously managed by Fleet, and we were unable to confirm the existence of a contract or obtain any record that supplier vetting had taken place. Procurement are aware of this issue and are currently undertaking a tender process to appoint an external maintenance contract to be concluded in August 2022. The FVU have been made aware and are in the process of vetting the 350 sub-suppliers associated with the contract.
- In two instances (13%), we were unable to confirm the existence of a contract, or any record that supplier vetting had taken place. These suppliers had an average spend of almost £31,000 during 2021/22. Both of these relate to an accumulation of low value spend meaning that there is currently no requirement for contracts or subsequent vetting to be in place.

Procurement explained that they are aware of instances where cumulative small spends to the same supplier exceed the £5,000 threshold. In order to address this, we were informed that the team run reports from the Maverick procurement system on a quarterly basis for review by Procurement Category Managers. Work in this area is ongoing to identify non-contracted spend with compliance having improved from 72% previously to 95% as at the time of our audit

In order to assess the extent to which suppliers notified to the FVU had been vetted in line with the requirements of the Vetting Manual, we also separately assessed a sample of 24 suppliers vetted by FVU between January and April 2022. We found:

- One instance where 'open source' checks had not been undertaken.
- One further instance where supporting documentation for adverse information discovered had not been attached to the CoreVet record.

**Risk**

There is a risk Police Scotland incurs non-contracted spend with unvetted suppliers caused by failure to consider cumulative spend above the threshold as part of the vetting process.

Additionally, where each component check within the supplier vetting process is not consistently documented, there is a risk that ultimate vetting decision-making is incorrect and/or based on incomplete information.

Each of these risks could result in potential reputational damage to both Police Scotland and the Scottish Police Authority over the longer term.

**Recommendation**

We recommend that Police Scotland undertakes a review of the exceptions identified within our sample to assess the extent to which contracts should be put in place; and any associated vetting requirements as a result.

In addition, FVU staff should be reminded of the need to ensure consistent documentation of the outcome of each stage within the supplier vetting process.

**Management Action**

**Grade 3  
(Operation)**

Recommendation accepted.

The normal quarterly non-compliance review would usually pick up the exceptions identified, but Procurement will specifically investigate the identified exceptions in the sample to determine if the nature of the transactions require a formal tender process (including vetting of the successful supplier) and confirm the outcome with respect to the two non-vetted, non-contracted suppliers to close out the action.

The FVU will take a risk based approach to any request for retrospective supplier vetting.

All staff will be reminded of the importance to ensure consistent documentation is requested and uploaded during the supplier vetting process.

**Action owner:** Head of Strategic Procurement and Force Vetting Manager **Due date:** Oct 2022



## **1.4 Training of Vetting Officers**

From discussions with the Force Vetting Manager and Senior Vetting Officers, we were informed that new Vetting Officers are required to undertake essential reading on induction including vetting manuals and supporting guidance. Another key component of the induction process is informal shadowing of more experienced Vetting Officers to understand the processes and systems used.

The Force Vetting Coordinator explained that there are also system specific training courses such as the Criminal History System (CHS) and Police National Computer (PNC) that Vetting Officers undertake with a pass/fail element, providing formality and assurance that the new officer is competent in using systems required to undertake Vetting processes.

We are also aware the Vetting Officer role is graded at a relatively junior level; however, the individuals have significant responsibility in the complex judgements they make on a daily basis. This means that the FVU management team need assurance that they are competent in making these decisions. We were informed that to provide this assurance, Senior Vetting Officers dip sample applications completed by new Vetting Officers for quality assurance purposes. However, there is no developed process for undertaking such sampling and we were unable to obtain evidence to confirm the dip sampling process had taken place on a regular basis, or that issues of quality identified through the process are taken forward and fed into future training plans.

We understand that ongoing refresher training was previously delivered through quarterly team meetings to inform staff of any changes to legislation, processes or systems. We have been unable to confirm that any such training has been provided since August 2021.

### **Risk**

Where quality assurance processes are not implemented with appropriate frequency, there is a risk that specific training needs for individual Vetting Officers are not identified and resolved in a timely manner, meaning vetting decisions may be taken incorrectly

### **Recommendation**

To be assured that new Vetting Officers are competent in making difficult judgements, we endorse the dip sampling of applications completed by new Vetting Officers. The Force Vetting Manager should formalise arrangements for this process in terms of frequency and volume of quality assurance checks, as well as arrangements for ensuring that issues identified from dip sampling are collated and recorded to allow targeted training of individuals where necessary.

**Management Action**

Recommendation accepted.

Currently Vetting Officers are trained in the proficient use of core ICT systems which has a pass/fail requirement. This is supported by ongoing shadowing and mentoring until deemed competent. We will introduce a formal training programme for Vetting Officers. We have an outline plan for this training which will significantly improve the time it takes for staff to reach a competent level and will provide assurance over decision making. All training is recorded and managed on the SCOPE HR System.

The FVU will develop a framework for quality assurance dip sampling to support staff on their ongoing training journey, it will support staff with their decision making and provide further assurance that development needs are being identified and addressed.

In addition, the Vetting Management Team review all appeals, made by applicants, to further support our quality assurance processes around decision making and this provides opportunities for ongoing learning and identification of training needs.

**Action owner:** Force Vetting Manager

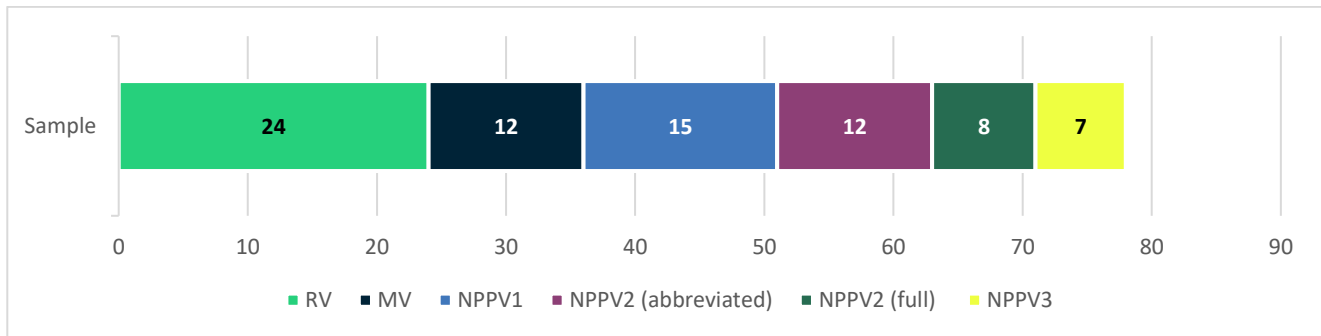
**Due date:** January 2023

## 1.5 Documentation of vetting checks

The Police Scotland Vetting Manual sets out that:

*'The rationale of any decision made will be recorded by the person responsible for assessing the vetting application'*

It also clearly stipulates the minimum checks required for each level of vetting and systems to be considered. We selected a sample of vetting applications processed by the Force Vetting Unit between 1<sup>st</sup> January and 11<sup>th</sup> April 2022 across the following categories:



We identified the following issues:

- In two instances (one RV and one NPPV3) an overseas criminal record check was required as the applicant had lived abroad as an adult for a period of over 12 months. We found no record of the checks recorded on the CoreVet system.
- In another instance (NPPV2 (abbreviated)), the rationale document had not been attached to the applicant's CoreVet record.

Therefore, it is unclear whether the required checks were undertaken in each case, or the supporting rationale for approval/refusal.

### Risk

Where vetting checks and supporting rationale are not consistently completed and documented, there is a risk that vetting decisions are based on incomplete information. This could lead to incorrect decision making.

### Recommendation

We recommend that all Vetting Officers are reminded of the need to ensure that all checks are recorded within CoreVet, including any necessary rationale and/or supporting documentation. We also recommend that the Force Vetting Unit undertakes quality assurance reviews to ensure that these requirements are consistently met by Vetting Officers.

**Management Action**

Grade 2  
(Operation)

Recommendation accepted.

The Force Vetting Manager has reminded all staff to record within CoreVet all rationale and/or supporting documentation.

We will develop a Quality Assurance Framework within the FVU to ensure that standards set are consistently met.

**Action owner:** Force Vetting Manager

**Due date:** September 2022

## 1.6 Guidance on vetting levels

Police Scotland's Vetting Manual covers each level of vetting from RV to DV as well as NPPV (as detailed in Appendix B), setting out the circumstances under which an individual would need that level of vetting. For example, at section 2.16 the Manual states that:

*'NPPV1 clearance grants unsupervised access to police premises but no access to classified police information or police systems.'*

*NPPV1 personnel include; trades people; vehicle recovery operators; volunteers (dependent on role).'*

From various discussions with staff across the Force Vetting Unit, we understand that the individual submitting the request for vetting decides the level of vetting required following review of the Vetting Manual. Although implied, we note that this responsibility is not explicitly expressed within the Vetting Manual and could be more clearly communicated.

### **Risk**

Where those requesting vetting are unclear on the appropriate level required for the role, there is a risk that individuals are over or under vetted. Over vetting may result in inefficient use of Vetting Officer resource whilst under vetting may result in the individual having inappropriate access to systems, data and premises.

### **Recommendation**

We recommend that the Vetting Manual is updated to clearly state that it is the responsibility of business areas to determine the overall level of vetting required.

In recognising that it is in the interests of Police Scotland to be as clear as possible on what clearance is granted with each level of vetting and to communicate this with the wider organisation, there may also be a need to provide supplementary guidance on determining the appropriate level of vetting clearance for individuals. The recent appointment of the new Force Vetting Manager presents an opportunity to engage with wider business areas and those individuals responsible for determining the level of vetting required to ensure consistency of understanding and approach.

**Management Action**

Recommendation accepted.

We will update the Vetting Manual as recommended and a communications plan will be developed to ensure all business areas are clear on vetting levels.

The FVU have commenced a series of engagement sessions across the Force.

Divisional Commanders and Heads of Department will be reminded of their responsibility to identify appropriate vetting levels and the opportunity to engage with FVM should additional advice be required.

**Action owner:** Force Vetting Manager and Respective Divisional Commanders / Heads of Department

**Due date:** November 2022

## 1.7 Review and approval of vetting manuals

We reviewed the Police Scotland Vetting Manual and Supplier Vetting Manual and found that whilst there is a version control table on each document, neither confirms the governance forum through which the manual has been reviewed and approved.

We were informed that the Supplier Vetting Manual had most recently been presented to the Force Policy Forum for review in March 2022 and that the Vetting Manual was last reviewed in 2021. We were however unable to obtain evidence to corroborate this.

### Risk

Where Vetting Manuals are not subject to formal review on a sufficiently frequent basis, there is a risk that they are not reflective of the most current practices. This could result in incorrect or inconsistent vetting activity being undertaken.

### Recommendation

Our audit has identified a number of improvement actions that will require amendment to both manuals. We recommend that, as part of this process, management also adds version control information to both policies reflecting:

- the most recent review date;
- next scheduled review date; and
- the governance forum responsible for approving the manual and subsequently overseeing any amendments to the manual.

#### Management Action

Grade 1  
(Design)

Recommendation accepted.

We will ensure that a version control table is added to both manuals and updated as and when required to improve governance over documentation.

**Action owner:** Force Vetting Manager

**Due date:** November 2022

## **1.8 Responsibility for supplier vetting checks**

The Police Scotland Supplier Vetting Manual details the checks to be carried out on suppliers before contracts commence:

### **Relevant criminal convictions:**

- Scottish Criminal History System (SCHS)
- Police National Computer (PNC)

### **Breach of obligations to pay tax or social security contributions:**

- Civil court records or any appropriate means

### **Breach of Employment Relations Act 1999 (Blacklists) Regulations 2010:**

- Civil court records

### **Bankruptcy or Insolvency:**

- Relevant register

### **Grave professional misconduct:**

- Scottish Intelligence Database (SID)
- Police National Database (PND)
- National Common Intelligence Application (NCIA)
- Crime Report System
- Open Source e.g. search engines, social networking sites
- Decision of relevant professional body
- Any other appropriate means

We found that the manual does not clearly convey who is organisationally responsible for undertaking each of the above checks.

We confirmed through testing that all checks are undertaken, where applicable, by the Force Vetting Unit however, were unable to confirm that bankruptcy and insolvency checks had been consistently undertaken for a sample of suppliers. We understand that the Procurement team undertake 'credit safe' checks on the preferred supplier and use a rating model used to assess likelihood of each supplier falling into bankruptcy or insolvency within the next 12 months. However, this check is not reflected in the Supplier Vetting Manual.

### **Risk**

Where there is a lack of clarity as to who holds responsibility for ensuring that component checks are undertaken as part of the supplier vetting process, there is a risk that these checks are not undertaken consistently, which could lead to incorrect vetting decisions being made.

### **Recommendation**

We recommend that the Supplier Vetting Manual is updated to more clearly articulate the responsibilities of the Force Vetting Unit within the supplier vetting process. In addition, the "credit safe" checks undertaken by Procurement should also be reflected within the manual to ensure the full process is formally documented.



Grade 2  
(Design)

**Management Action**

Recommendation accepted.

The Procurement team will work with the FVU to ensure clarity around the responsibility for bankruptcy/insolvency checks within the contracting/vetting process with respect to supplier versus personal vetting. The Supplier Vetting Manual will be updated to provide necessary clarity around responsibilities.

**Action owner:** Head of Strategic Procurement and Force Vetting Manager

**Due date:** November

2022

## 1.9 NPPV vetting

We sought to confirm that the requirement to ensure vetting of individual supplier personnel was clearly articulated and communicated to suppliers as part of the contract award process. We reviewed the 'Invitation to Tender' template used by Procurement to articulate this obligation and found that the wording clearly states:

*'The Authority reserves the right to vet and to approve or not to approve any person or persons, (employees, directors, officers, partners within firms, Subcontractors or others) whom the Contractor proposes to utilise in the provision of the Contract in connection with the performance and administration of the Contract. Where persons are not so approved, they must not be utilised in any aspect of the provision of the Services under the Contract....'*

*'...the Contractor is responsible for ensuring that at all times during the Contract it has a sufficient number of vetted and approved persons to undertake the Services.'*

However, we noted from review of the Invitation to Tender template that individual personnel must submit vetting paperwork *'at least four weeks prior to such person's proposed involvement with the Contract and the provision of the Service thereunder.'*

We understand from discussions with the Force Vetting Unit that if the contract is not assigned high priority, timescales for vetting to undertake checks and approve/refuse can be considerably longer. The wording of the template in this example may therefore set unrealistic expectations for suppliers, leading to issues in being able to fulfil contracted responsibilities in line with agreed timescales.

### **Risk**

Where contract wording sets potentially unrealistic expectations for suppliers with regard to vetting timescales, there is a risk Police Scotland encounters issues with fulfilment of contracted responsibilities in line with agreed timescales. This could lead to business interruption or non-achievement of organisational priorities as a result.

### **Recommendation**

We recommend that wording around vetting timescales included within supplier contracts should be reviewed to ensure any timescales laid out are realistic and attainable.

**Management Action**

Recommendation accepted.

Where NPPV checks are required due to the nature of a contract, the procurement team engage with the vetting team to consider the practicalities of on-boarding suppliers, especially when there will be a significant number of supplier's personnel requiring NPPV vetting, or indeed a large, subcontracted supply chain will be utilised. This often leads to specific vetting provisions being agreed and inserted into the scope for particular contracts. The minimum timescales quoted in the generic template examined is procurement's understanding of likely timescales based on previous agreement and experience. Procurement undertake to review this general SLA with the FVU and ensure that it is realistic or consider a new general SLA if necessary, as well as continuing to consider the impact of extraordinary vetting requirements on a contract by contract basis.

**Action owner:** Head of Strategic Procurement

**Due date:** October 2022

## **1.10 Non-Police Personnel Access**

Concierge and facilities staff fulfil a key role in ensuring that only appropriately vetted personnel are granted unrestricted access to police premises where they may potentially access confidential information. During our audit we visited the Force Vetting Unit at Dalmarnock on nine separate occasions. We found that there was no consistent approach to ensuring that Azets personnel were vetted before being granted access to the building and an inconsistent approach as to the escorted / unescorted access assigned to our staff.

We queried this with the National Facilities Management Lead who explained that each Police Scotland premises is managed differently. For example, access to Gartcosh is managed by the Prime Campus Central Services Lead and at Tulliallan Facilities Management staff are responsible for checking vetting clearance before allowing access. There is no specific or consistent training on access to be granted to non-police personnel.

### **Risk**

There is a risk that individuals who have not been vetted are granted unauthorised access to Police Scotland premises as there is no formal or consistent training for staff on how to confirm individual vetting clearance. This could result in unauthorised access to information, systems and/or other assets by individuals.

### **Recommendation**

From conversations with staff, we understand that the variable approaches to managing building access across the Scottish Police Authority and Police Scotland estate would make it difficult to implement a consistent approach to checking individual vetting clearance of visitors upon arrival.

As such, we recommend that any visitors to police premises who do not hold police identification should be escorted at all times to avoid unauthorised access to information, systems and/or assets.

**Management Action**

Recommendation accepted.

Estates only have Security and Reception Officers (SRO) or outsourced guards at a very small proportion of Police Scotland/SPA buildings:

	Supply Partner	Estates SRO
Dundee Forensic Services Laboratory	✓	
Howdenhall Forensic Science Lab	✓	
Meiklewood Road Complex	✓	
Pacific Quay, Glasgow	✓	
Scottish Crime Campus, Gartcosh	✓	
Scottish Police College Tulliallan	✓	✓
Scottish Police College Tulliallan	✓	
SPA Toxicology Lab (Junction 24 Govan)	✓	
Dalmarnock Clyde Gateway		✓
Fettes Police Station Edinburgh		✓
Govan Complex - (Main Gatehouse)		✓
Jackton Police College		✓
Scottish Police College Tulliallan		✓

For the above sites Estates will conduct a briefing with staff/supply chain partner on the importance of complying with the 'Visitors to Police Premises Standard Operating Procedure'.

For all other sites Estates will issue a communication on the intranet to remind all Police Scotland personnel of the importance of complying with the 'Visitors to Police Premises Standard Operating Procedure' highlighting key paragraphs 4 and 5 on 'Visitor Passes and Supervision' and 'Contractor Access'.

**Action owner:** National Facilities Management Lead    **Due date:** September 2022

Control Objective 2: There is a clear approach to prioritisation so that vetting applications can be triaged and assigned a priority, to ensure they are processed in line with business need



Amber

## 2.1 Approach to prioritisation

From conversations with staff, we understand that the Force Vetting Unit has limited ability to influence or control the level of demand on vetting from across the wider business. As such, it is essential that there are robust processes in place to ensure that vetting applications are appropriately prioritised to meet business need.

We were informed that in general, Police Officer vetting applications are given highest priority to allow achievement of intake targets. Control Room Staff and ICT staff are also given high priority due to the nature of their role.

In relation to suppliers, we were informed that vetting applications are prioritised based on the Vetting Unit's assessment of business need as informed by engagement with the wider business. Whilst we understand that the Force Vetting Manager and Senior Vetting Officers make informed decisions on priority levels, there is no structured prioritisation mechanism in place to help manage expectations.

We also obtained anecdotal evidence that business areas routinely contact the Vetting Unit to request that their application is prioritised urgently. We observed this happening whilst on site carrying out our audit work. The Senior Vetting Officers and, where appropriate, the Force Vetting Manager will assess the rationale given and do their best to meet expectations, but this is not always possible due to other demands on the Unit.

### Risk

Where this is not clear and consistent understanding of prioritisation of vetting activity, both within the Force Vetting Unit and the wider business, there is a risk that applications are not prioritised appropriately, resulting in failure to meet business demand.

### Recommendation

We recommend that the Force Vetting Unit develops a formal approach to prioritisation, linked to the risks and objectives of the wider organisation. This should be communicated across Police Scotland to ensure consistency of understanding and allow expectation management.

Where higher priority is assigned to vetting applications due to urgent or exceptional circumstances, this should be subject to agreement with the Force Vetting Manager, in order to ensure workload within the Vetting Unit can be managed.

**Management Action**

Recommendation accepted.

Work in relation to this was already underway prior to the audit. FVU priorities are based on organisation and operational needs. FVU will prioritise those areas of business identified by Force Executive; this will change dependent on business needs. If divisional commanders or heads of department need to discuss their own specific requirements, this can be done through The Force Vetting Manager.

The Force Vetting Manager has process in place where FVU refer any priority requests for consideration.

**Action owner:** Force Vetting Manager

**Due date:** September 2022

**Control Objective 3: Management proactively monitor the performance of the vetting unit and the workloads of vetting officers, as well as the volume and age of applications, to ensure that backlogs do not accrue**



### **3.1 Application volumes monitoring**

The Senior Vetting Officers regularly review the CoreVet system and conduct dip sampling as part of their role. This review process involves assessing date parameters for a sample of low, medium and high priority vetting applications and how close each application is to completion. If the Senior Vetting Officer thinks the application should have been completed already, they will query with the Vetting Officer tasked to the application and discuss any issues to progress the application.

There is also a formal review of the aging profile of vetting applications undertaken on a weekly basis and fed back to the Force Vetting Manager.

The Force Vetting Unit also presents update reports to the Senior Management Team on a monthly basis including performance in terms of work in progress figures. Reporting also includes coverage of known likely spikes in demand on a rolling 12-month forecast basis.

Where the Vetting Unit have had engagement from the wider organisation and are sighted on upcoming demand, they are able to factor this into their planning and manage appropriately. For example, there is anticipated high demand between December 2022 and April 2023 relating to the Soft Facilities Management contract.

The Force Vetting Manager is entitled to authorise overtime to meet demand, but this is reliant on the willingness of Vetting Officers, is costly to the business and uptake levels cannot be relied upon. At present, there is no clear and sustainable process on how spikes in demand should be handled with the tools at the unit's disposal, for example managing the scheduling of annual leave or training and other non-core tasks during particular periods of high demand. In addition, there is no consistent approach to ensuring that business areas provide advance notice to the Vetting Unit to allow proactive demand planning (see MAP 4.1 below).

#### **Risk**

There is a risk that the Force Vetting Unit is unable to meet organisational expectation due to ineffective arrangements to support demand planning. This could ultimately lead to non-achievement of wider business objectives where vetting arrangements are insufficient to support delivery of business-critical activity.

#### **Recommendation**

We recommend that the Force Vetting Unit agree action to be taken where they anticipate known peaks in demand, for example bringing in additional resource, deferring non-core tasks, managing annual leave requests and offering overtime. Where this cannot be achieved and the Vetting Unit has to accept that the level of demand is in excess of supply, the Unit should communicate the increased expected turnaround times to the wider organisation to manage expectations.



**Management Action**

Recommendation accepted.

Additional resource has been requested but is subject to business case approval.

Bringing in resources for peaks in demand would be difficult given budgetary constraints and the length of time it takes to recruit, train and ensure competency. Other safeguards could be introduced as recommended such as deferral of non-core tasks, restricting annual leave and offering overtime when exceptional business demand requires.

**Action owner:** Force Vetting Manager

**Due date:** August 2022

## Control Objective 4: There is engagement between the organisation/sponsors and the vetting unit to ensure that the vetting unit can appropriately predict demand, including significant one-off exercises

Amber

### 4.1 Proactive communication

On a fortnightly basis, Senior Vetting Officers meet with Police Officer Recruitment teams to discuss upcoming intakes, recruitment activity and the corresponding demand impact on the Vetting Unit. Additionally, we understand that pre-pandemic, Senior Vetting Officers met with the National Facilities Management Lead on a regular basis to discuss any upcoming contracts and the impact said contracts would have on the Force Vetting Unit, allowing the Unit to plan its demand levels accordingly.

Vetting applications are received from across the whole business, but there is most notable activity with the above noted areas as well as procurement (in relation to supplier/contractor vetting) and project management teams (who often recruit following approval of business cases). We note that routine meetings with business area leads are not standard practice, nor are we aware of other mechanisms for proactive engagement between the FVU and wider organisation. Instead, demand management arrangements are reliant on notification from business areas themselves which we understand to be inconsistent.

#### Risk

There is a risk that the Force Vetting Unit is unable to meet demand from the wider business areas as there is limited proactive engagement with business areas to forecast the likely demand for vetting. This could result in delays to business activity where vetting is not appropriately factored and prioritised.

#### Recommendation

We endorse the proactive engagement between the Force Vetting Unit and Police Officer Recruitment as a means of allowing the Unit to prioritise business-critical vetting activity ahead of time. We recommend that the Force Vetting Unit extends this approach to other key business areas within Police Scotland as a means of allowing more proactive demand planning.

We also recommend that the Force Vetting Unit clearly communicates to business areas the need to proactively notify of any operations that will require significant vetting activity as a means of ensuring these can be completed in good time to meet the needs of the business.

Grade 3  
(Design)

**Management Action**

Recommendation accepted.

We will create an engagement framework with business area leads, holding regular meetings to ensure understanding of any peaks in recruitment to allow more proactive demand planning.

**Action owner:** Force Vetting Manager

**Due date:** December 2022

## 4.2 Vetting implications of business cases

Police Scotland’s pathway for the initiation of new projects is as follows:



We reviewed the ‘Potential Project Assessment’ form and found that under section eight, there is an opportunity for authors to consider ‘enabling businesses areas’ that are likely to be involved in, or be impacted by, the delivery of the change and should therefore be consulted. Vetting is not included on this list.

Resource requirements are also considered at section 13 of the form, and we understand that vetting need should be considered at this stage. As it is not explicitly expressed, our understanding is that authors often fail to do so and the vetting unit are generally not made aware of significant recruitment in advance.

### Risk

There is a risk that projects are delayed upon commencement due to a failure to ensure proper consideration of vetting implications as part of their initiation. This could lead to non-achievement of project objectives and wider business disruption as a result.

### Recommendation

The Project Management Office should amend their forms and guidance to explicitly state that authors should consider the requirement for vetting as part of project initiation. This requirement should also be formally communicated across the organisation to ensure consistency of understanding.

#### Management Action

Grade 3  
(Design)

Recommendation accepted.

The PMO will ensure that authors identify the best time and method for consulting with FVU on new approved projects to ensure that vetting demands are known in advance.

**Action owner:** Head of Portfolio Management/Force Vetting Manager **Due date:** December 2022

### **4.3 Engagement between FVU and Procurement**

During our discussions with Procurement Specialists and Vetting Officer, we found that there is not a consistent approach to ensuring that the FVU is notified in advance of significant procurement exercises to allow resource planning, demand modelling and management of expectation. For example, some staff highlighted that the FVU should be notified when the Procurement Sourcing Strategy is approved, however, others highlighted that the FVU would only be advised once a preferred supplier had been identified.

In addition, we reviewed the Request for Procurement Action form and found no consideration of vetting other than a note which indicates that Procurement timescales may fluctuate based on company vetting requirements. Further, we reviewed the Sourcing Strategy which requires the author to consider timelines for supplier vetting and NPPV levels, however, it is not explicit at what point the FVU should be engaged.

We understand that this is due to a flexible Procurement process, meaning that the FVU is notified of large tenders likely to have significant impact on vetting demand, but are not notified in all instances as preferred suppliers are often already vetted.

In addition, we reviewed the Request for Procurement Action form and found no consideration of vetting other than a note which indicates that Procurement timescales may fluctuate based on company vetting requirements.

#### **Risk**

Where the FVU are unaware of upcoming procurement, there is a risk that they are not prepared for the impact new suppliers will have on the demand of the FVU. This could have a negative impact on timescales, resulting in possible engagement with a supplier who has not obtained the required vetting clearance and reputational damage for Police Scotland.

#### **Recommendation**

As noted at MAP 4.1 above, we recommend that there is regular liaison between the FVU and wider business areas. The matters outlined above should form part of recurring discussions between the FVU and Procurement. One such route to ensuring clear visibility of future procurement activity by the FVU could be through sharing of Procurement management information to provide the basis for a forward work planner for the financial year ahead based on contracts due to be renewed.

**Management Action**

With respect to the perceived disparity of process in notifying the FVU of requirements. This are two distinct approaches employed by procurement.

1. In general vetting would only be requested by the procurement team on conclusion of a tender evaluation when the successful supplier was known, and it was determined that they were not currently vetted.
2. In general advance notice would be given to the FVU if there were likely to be requirements in addition to normal vetting e.g., contract with a large degree of NPPV vetting of supplier's personnel, or likelihood of an extended supply chain.

Procurement will set up a regular recurring discussion with the FVU to monitor demand and share forward work plans as well as address any practice or process issues or developments.

**Action owner: Head of Strategic Procurement**

**Due date: October 2022**

## 4.4 Demand forecasting

When the Force Vetting Unit is notified of any upcoming spikes in demand, the Force Vetting Manager is responsible for prioritising applications and matching resource to demand. There is no structured mechanism through which the Force Vetting Unit records trends and spikes in demand to inform future demand planning.

We note that the introduction of Recruitment Vetting renewals will introduce an additional level of demand on the unit, and it is important that this activity is planned appropriately to avoid existing peaks of demand for new vetting applications from the business.

### Risk

Where there is not a clear approach to ensuring that future spikes in demand are recorded and resources, there is a risk that the Vetting Unit cannot then meet demand from the wider business areas. The FVU risks becoming overwhelmed and unable to support Police Scotland business areas as a result.

### Recommendation

The Force Vetting Unit should consider the use of a demand forecasting tool where upcoming spikes in demand can be input to develop a visual dashboard of large intakes and projects. This will help in understanding demand, prioritisation of workload and allocation of resource accordingly.

#### Management Action

Grade 2  
(Design)

Recommendation accepted.

At this time, manual demand forecasting is managed by the Force Vetting Manager.

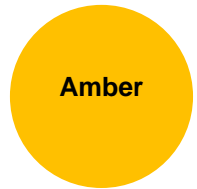
We will explore options and work with other business areas to identify whether a forecasting tool exists or whether one could be developed/procurement that would be suitable for vetting.

In the interim, we will continue with our engagement efforts to highlight the importance of early identification of vetting requirements as outlined within 4.1 above.

**Action owner:** Force Vetting Manager

**Due date:** March 2023

Control Objective 5: Management has reviewed and benchmarked the size and shape of the workforce in relation to the level of demand on the unit, to ensure vetting applications can be processed on a timely basis and in line with business need



## 5.1 Benchmarking

In March 2022 the previous Force Vetting Manager assessed the demand on Police Scotland's Force Vetting Unit relative to the size of the team. The Force Vetting Manager concluded that in comparison to both the Metropolitan Police (double Police Scotland's size) and Greater Manchester Police (half Police Scotland's size), the ratio of applications to Vetting Officers within Police Scotland was unsustainable, and Police Scotland's Force Vetting Unit was under resourced.

We understand that the National Police Chiefs Council meet on a quarterly basis to discuss national trends in vetting and coordinate an approach to management. The Force Vetting Manager attends these meetings to represent Police Scotland and allow assessment of vetting performance against national standards. We also note that proposals to increase the number of Vetting Officers and the impact of Robotic Process Automation are likely to impact on the size and shape of the Vetting team in future. This is in addition to the additional demand that will be placed on the unit in future through the introduction of Recruitment Vetting Renewals.

The findings discussed earlier in this report highlight that there are a number of improvements needed to accurately forecast demand on the FVU and therefore to plan resourcing to meet that demand. As such, any current attempts to compare staffing levels with demand are likely to be limited in their effectiveness.

### Risk

There is a risk that Police Scotland do not have the right composite within the Vetting Unit to process applications on a timely basis, as demand is not frequently assessed against resource, which could lead to a failure to meet business needs.

### Recommendation

Police Scotland should continue to assess demand levels and collaborate with other Forces to identify best practice solutions in meeting demand.

Once the Vetting Unit has a more accurate demand forecast, Police Scotland should assess if the size and shape of the unit is appropriate to meet the identified business need. This review should also incorporate the impact of the recently approved additional Vetting Officer recruitment, Robotic Process Automation and RV renewals on both demand and resourcing.

The Force Vetting Manager should review the forecast model, updated for past performance and learning as well as known future changes, at regular intervals to provide continued assurance that the composition of the Force Vetting Unit is appropriate and sufficient to meet demand.



**Management Action**

Recommendation accepted.

In conjunction with 4.1 (Proactive Communication) and 4.4 (Demand Forecasting) above, we will formally engage with business areas to gain a better understanding of future vetting demands and review tools to support demand planning.

We will review the shape and size of the FVU to ensure it is appropriate to meet the needs of the business supported by available data. We may identify a forecasting tool to support this work. As part of this review, we will consider past demands and resourcing as well as known future demands as determined following the introduction of proactive engagement at 4.1.

The Force Vetting Manager will continue to attend National Police Chiefs Council (NPCC) vetting meetings and will engage with Forces across UK to identify best practice and applicability to Police Scotland.

**Action owner:** Force Vetting Manager

**Due date:** March 2023

# Appendix A – Force Vetting Unit structure

At present, the Force Vetting Unit is structured as set out below:



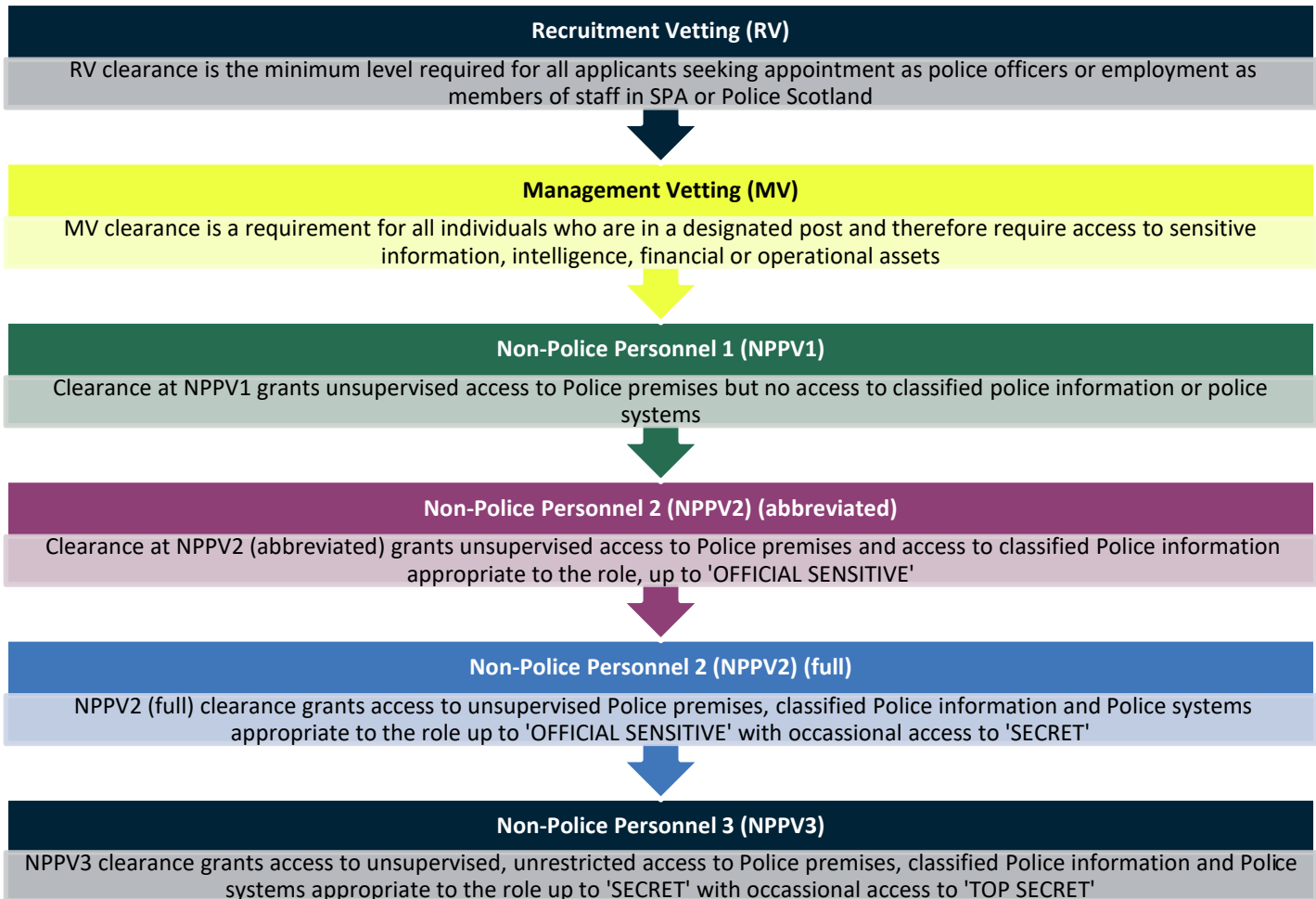
A paper presented to the Senior Leadership Board in April 2022 highlighted that the ratio of Vetting staff to applications is 1:255 within Police Scotland. Benchmarking has been undertaken across other Forces showing that Police Scotland has a much higher ratio of applications to staff.

As such, the paper requested approval to recruit an additional six Vetting Officers to meet the additional demand expected in 2022-23 and 2023-24.

We are also aware that work is currently underway to introduce a Process Automation Tool which will aim to remove and/or automate some of the more laborious / administrative tasks from Vetting Officers to reduce the time spent per application. At present it is difficult to accurately predict or quantify the effectiveness of the automation tool in terms of time savings, but it is hoped that automating some administrative functions will have a long term benefit on service delivery. We note that this automation is not intended to replace the need for judgement by Vetting Officers in taking final decisions.

# Appendix B – Vetting types

The Force Vetting Unit carries out the following categories of vetting:

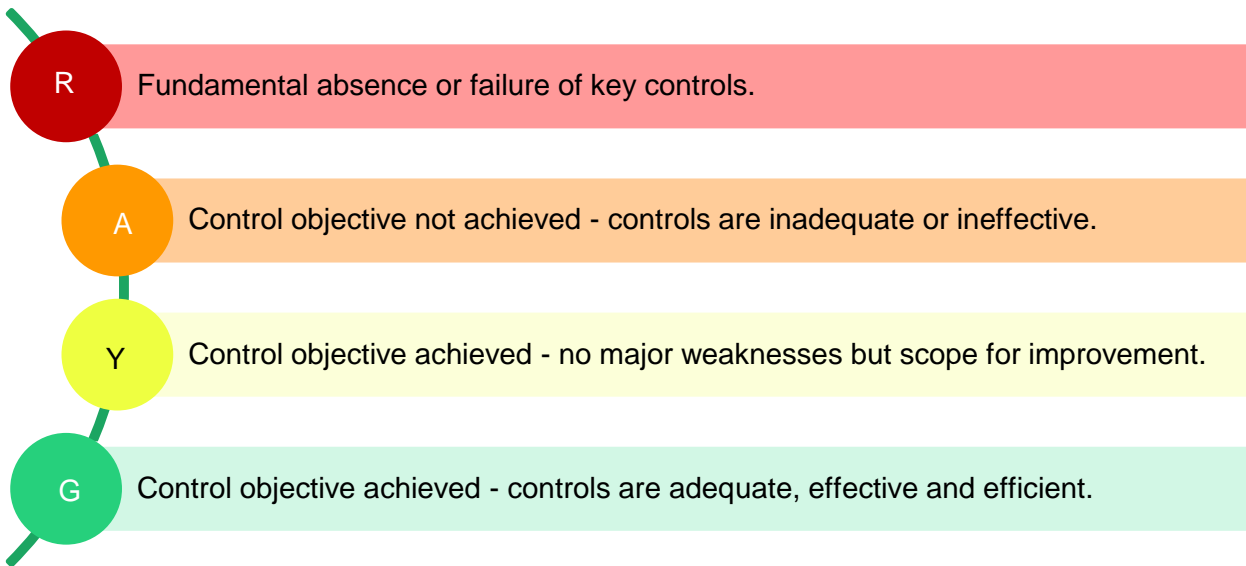


Separately, the Force Vetting Unit (FVU) also undertakes four categories of National Security Vetting (NSV). NSV is undertaken by Scottish Government officials in partnership with UK Security Vetting, a branch of the UK Government. The FVU undertakes an administrative role in NSV by gathering required information and submitting applications to UK Security Vetting.

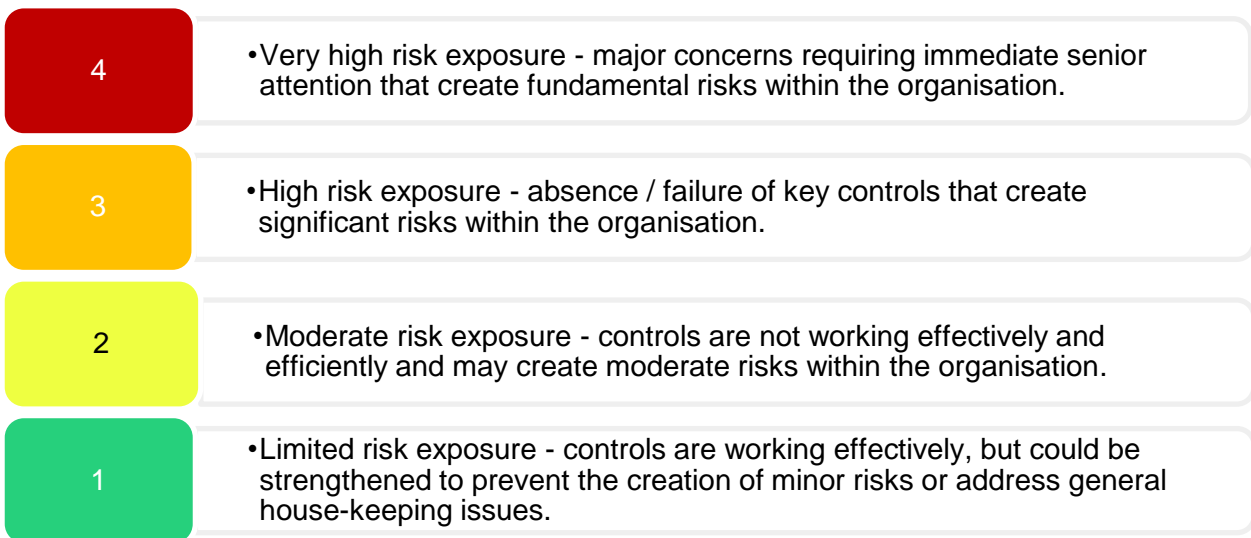
In addition to checks on individuals, the FVU also carries out Supplier Vetting following transfer of responsibility from the Disruption Unit in May 2021. Vetting is undertaken on both the economic operator and any person who is a member of the administrative, management or supervisory body of the economic operator, generally the organisation's directors.

# Appendix C – Definitions

## Control assessments



## Management action grades



**OFFICIAL**

# Appendix D – Summary of management actions

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