SCOTTISH POLICE AUTHORITY
ÙGHDARRAS POILIS NA H-ALBA

Agenda Item 3.2

Meeting	**Audit, Risk and Assurance Committee**
Date	**17 January 2023**
Location	**Video-conference**
Title of Paper	**Internal Audit Annual Plan**
Presented By	**John McNellis, Head of Finance, Audit and Risk** **Elizabeth Young, Azets**
Recommendation to Members	**For Approval**
Appendix Attached	**Appendix A: SPA overview of the internal audit planning process** **Appendix B: Azets internal audit plan (2023/24)**

PURPOSE

To provide Members with an introduction and overview of the internal audit planning process for the year ahead, providing assurance of the robust approach undertaken.

To provide Members with the proposed internal audit plan for 2023/24 for consideration and recommendation for approval.

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 approval.

1. BACKGROUND

1.1 Public Sector Internal Audit Standards ("PSIAS") require the Chief Internal Auditor to produce an annual, risk-based audit plan, which takes into account the risk management framework and the strategic objectives of the SPA and Police Scotland, and the views of senior managers and the ARAC.

1.2 The purpose of this audit plan is to direct internal audit resources in the most efficient manner to provide assurance to the Accountable Officer and Board, through the ARAC, that the key risks to the achievement of SPA's and PS's objectives are being managed effectively.

1.3 Internal audit provides a crucial role in the SPA's four lines of defence assurance model and a key aim of the plan is to provide assurance on the overall adequacy and effectiveness of the framework of: governance, risk management and control as required to prepare the annual governance statement.

2. FURTHER DETAIL ON THE REPORT TOPIC

2.1 SPA officials have worked with internal audit on the development of the proposed plan. This also included seeking the view of key partners including: Police Scotland, HMICS and external audit.

2.2 **Appendix A** provides an overview of the approach taken to develop the plan including the scrutiny and challenge undertaken by the SPA.

2.3 Azets have prepared a draft internal audit plan at **Appendix B**.

2.4 SPA officials including the Accountable Officer endorse this plan for the Audit Risk and Assurance committee consideration and approval.

2.5 The Authority has undertaken a competitive procurement exercise and awarded a contract for future years internal audit work to BDO. Due to timing, BDO has not been involved in the development of this plan. Once they have been fully inducted we will require to review the plan to ensure it complies with their internal assurance processes and will provide an update to the committee.

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.

3.2 The cost of providing the internal audit service is included in the draft 2023/24 budget.

4. PERSONNEL IMPLICATIONS

4.1 There are no specific personnel implications associated with this paper. There are two P&D focused internal audit reviews that will consider personnel implications.

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 outcome of internal audit work.

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 consider and approve the internal audit plan for 2023/24.

Appendix A
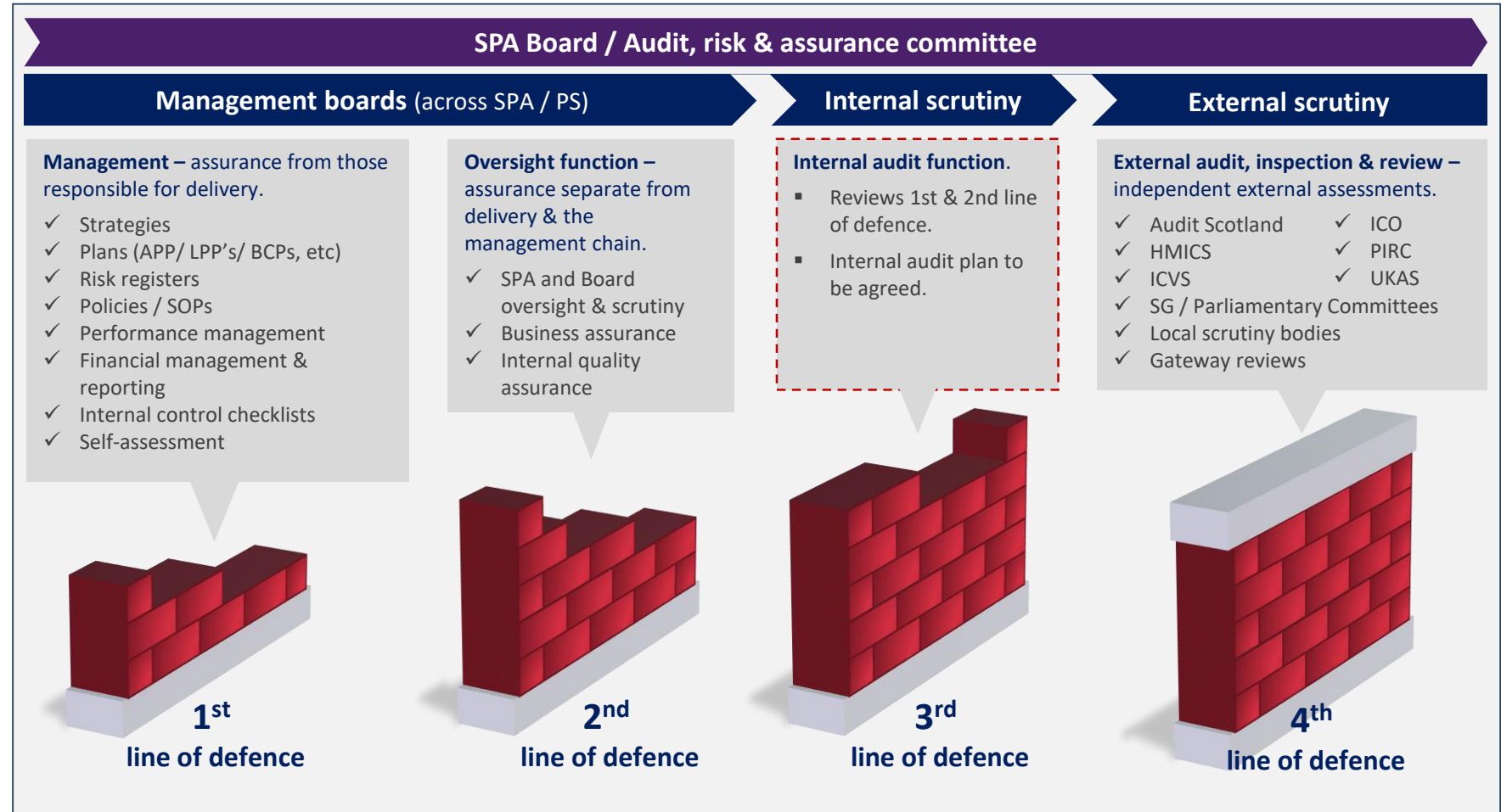## SPA overview of internal audit planning process
JANUARY 2023
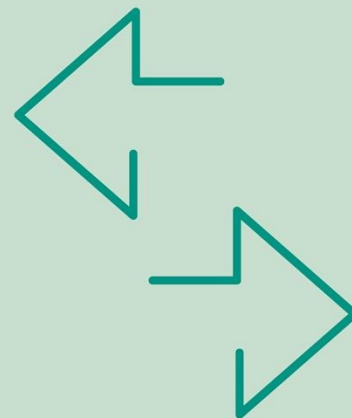
SCOTTISH POLICE
AUTHORITY
ÙGHDARRAS POILIS NA H-ALBA

Context
SPA excellence framework

The SPA's excellence framework is based on the four lines of defence model. It shows the key sources of assurance for management and the ARAC / Board.

This report focuses on the **third line of defence**; assurance provided to the service and Members by independent internal auditors.

SPA Board / Audit, risk & assurance committee

Management boards (across SPA / PS) | **Internal scrutiny** | **External scrutiny**

Management – assurance from those responsible for delivery.

- ✓ Strategies
- ✓ Plans (APP/ LPP's/ BCPs, etc)
- ✓ Risk registers
- ✓ Policies / SOPs
- ✓ Performance management
- ✓ Financial management & reporting
- ✓ Internal control checklists
- ✓ Self-assessment

Oversight function – assurance separate from delivery & the management chain.

- ✓ SPA and Board oversight & scrutiny
- ✓ Business assurance
- ✓ Internal quality assurance

Internal audit function.

- ▪ Reviews 1st & 2nd line of defence.
- ▪ Internal audit plan to be agreed.

External audit, inspection & review – independent external assessments.

- ✓ Audit Scotland
- ✓ HMICS
- ✓ ICVS
- ✓ SG / Parliamentary Committees
- ✓ Local scrutiny bodies
- ✓ Gateway reviews
- ✓ ICO
- ✓ PIRC
- ✓ UKAS

1st line of defence

2nd line of defence

3rd line of defence

4th line of defence

Context
Strategic assurance maps

Background

The SPA uses our strategic assurance maps as a framework to guide internal audit planning across the four lines of defence.

In addition, at the end of the financial year and in line with the timeline for the annual report and accounts, SPA officials will evaluate the actual levels of assurance received and bring together in a single report the findings from all key assurance sources (ie an integrated assurance statement).

Assurance maps for planning

The SPA has prepared updated strategic assurance maps (see appendices) that show the initial planned assurance activities anticipated to be conducted during 2023/24. These appendices are again shown through the three assurance lenses (based on strategic risk, objectives and business areas).

A collaborative internal audit planning workshop was held in November with attendees from: SPA, Police Scotland, Azets, HMICS and external audit. This allowed all providers to input their thoughts on risk areas, priorities and seek to avoid areas of duplication.

Internal audit provider

The current internal audit contract end on completion of the 2022/23 audit plan. Following an open procurement process, the Authority awarded the internal audit contract to BDO from 2023/24 onwards. A transition plan and induction for the new auditors has commenced, however, BDO were not involved in setting the internal audit plan. Once they have been fully inducted we will require to review the plan to ensure it complies with their internal assurance processes. Over the next year the SPA will also seek to agree a three to five year rolling internal audit plan.

Background: benefits of assurance maps

– *During planning*
  - Key elements over which assurance is required;
  - The assurance activity that is being undertaken across the organisation (quantum not quality);
  - The 'four lines of defence' - detail of who provides assurance;
  - Gaps in that assurance (risks and controls not covered) that need to be either filled or accepted; and
  - Overlaps in assurance (where efficiency gains could be made).

– *During follow up:*
  - Evidence of management confidence in their assertions;
  - Evidence of the quality and outcome of assurance activity;
  - Allows ARAC to provide a view on the state of internal controls;

Context
Internal audit planning process
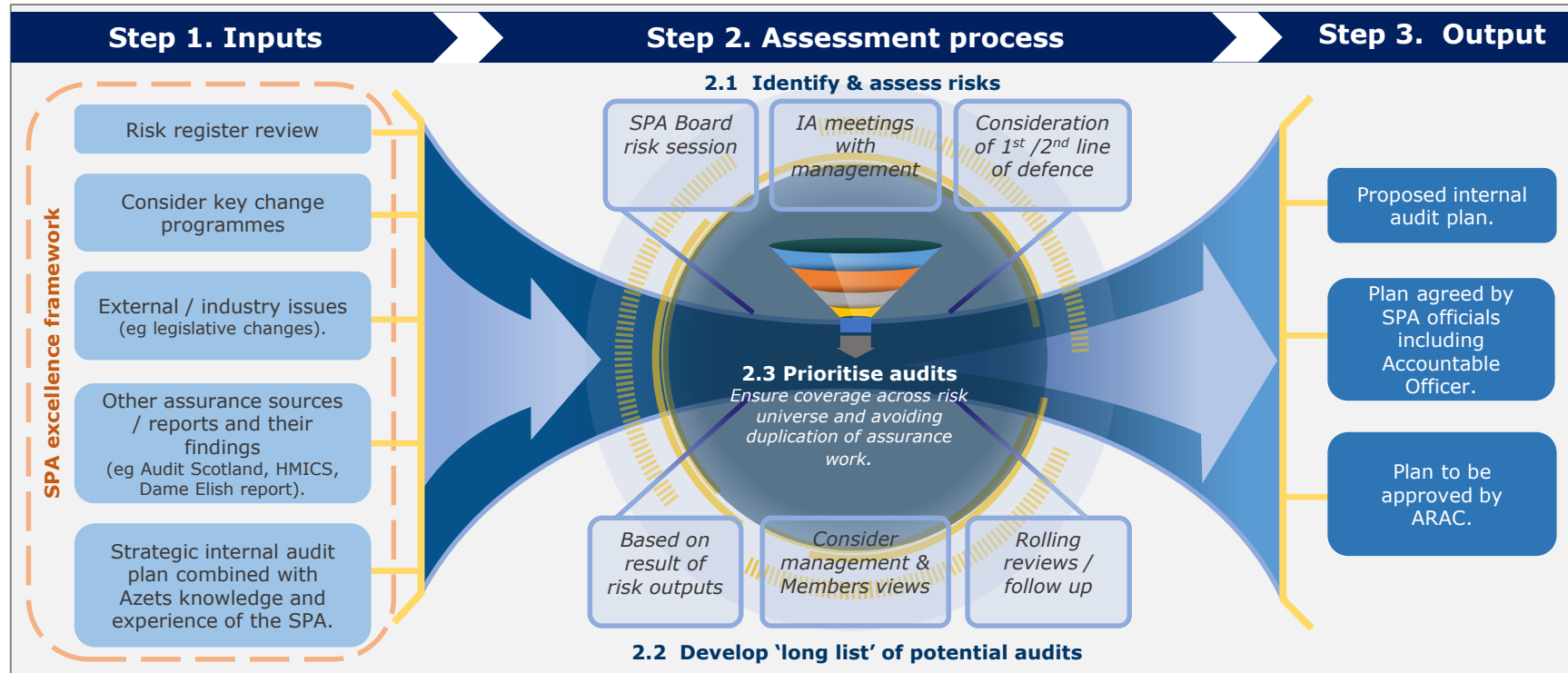
This diagram summarises the planning and assurance processes to set the 2023/24 internal audit plan.

Step 1. Inputs	Step 2. Assessment process	Step 3. Output

2.1 Identify & assess risks

SPA excellence framework

- Risk register review
- Consider key change programmes
- External / industry issues (eg legislative changes).
- Other assurance sources / reports and their findings (eg Audit Scotland, HMICS, Dame Elish report).
- Strategic internal audit plan combined with Azets knowledge and experience of the SPA.

SPA Board risk session

IA meetings with management

Consideration of 1st /2nd line of defence

2.3 Prioritise audits
Ensure coverage across risk universe and avoiding duplication of assurance work.

Based on result of risk outputs

Consider management & Members views

Rolling reviews / follow up

2.2 Develop 'long list' of potential audits

- Proposed internal audit plan.
- Plan agreed by SPA officials including Accountable Officer.
- Plan to be approved by ARAC.

Ongoing SPA officials oversight

- The SPA's head of finance, audit and risk has responsibility for overseeing the routine internal audit provision.
- SPA staff have been involved in the development of the internal audit plan and are assured that a robust process has been followed that has considered: risk, wider internal/ external issues, feedback from Members/ management and achieves appropriate coverage across the 'audit universe'.
- SPA will continue to monitor the delivery of internal audits throughout the year.

Context
Summary of proposed internal audit plan

Internal audit plan

- Following the methodology outlined, Azets have proposed an internal audit plan for 2023/24.

- The SPA has been involved in its development, considered this plan and agrees that it provides **appropriate coverage** across the audit universe and appropriately **responds to risk** whilst taking account of consideration from Members and management alike.

- The plan includes eleven proposed audits plus follow up across various functions, risks and themes per the SPA excellence framework.

- There is also a small contingency included in the plan. This will allow additional audits to be commissioned by ARAC should an issue arise during the year.

- SPA officials including the Accountable Officer endorse this plan for the ARAC for approval.

Ongoing monitoring

- SPA officials will continue to oversee the performance of the internal audit plan.

- This ongoing monitoring will involve:
  - ✓ overview and input to audit scope documents;
  - ✓ considering performance against KPI's;
  - ✓ conducting a sample of post audit performance reviews with auditees.

Risk radar

- Summary of planned internal audits classified by the excellence framework themes with higher risk focused audits towards centre.

* Note the number in each circle reflects the number of days proposed and note most audits will consider more than one theme eg compliance and learning.

Authority's strategic assurance map
Strategic risk

This summarises the planned assurance activities for 2023/24 relative to the **Board strategic risks**.

Legend:
- ✅ High assurance planned (green)
- 🟠 Moderate assurance planned (orange)
- 🟡 Low assurance planed (yellow)
- ⚪ Limited / no assurance activity planned

		1 Management	2 Oversight function*	3 Internal audit		4 External audit, inspection & review			
		Business as usual activity	**PS risk, assurance & inspection team**	**Internal audit plan**		**HMICS scrutiny plan**		**External audit**	**PIRC**
		• Risk register • Policies / SOPS • Performance management Internal governance SPA oversight • Annual assurance statements • Annual / local policing plan • BCP	• Conduct assurance reviews of business areas. • Detailed follow up and monitoring of all audit and assurance activities.	• Core financial controls • Prioritisation of budget • Ill health pensions & injury • Grievance process • IT general controls	• BV readiness • Decision making process • Electronic data retention (incl iVPD) • Biometrics • Change project review • New legislation	• SPA • Frontline focus – role of a frontline office & training • Joint inspection of ASP and services for CARP*** • Custody • Domestic abuse phase 2 • Drug harm reduction	• Cyber and online fraud • Strategy & performance • Missing persons • Conduct	• Statutory external audit *Wider scope:* • Vision, leadership & governance • Financial management / sustainability • Use of resources to improve outcomes	Investigations & complaints handling as required.
Board strategic risks	SPA Leadership role in continuous improvement.	🟠	⚪	⚪	🟠	✅	🟡	🟡	⚪
	SPA accountability for Police Scotland	✅	✅	✅	✅	✅	✅	⚪	✅
	SPA accountability for Forensic Services	✅	⚪	✅	✅	⚪	⚪	🟠	⚪
	SPA Financial	✅	🟡	✅	🟡	⚪	🟡	✅	⚪
	SPA Governance	✅	⚪	🟠	🟠	✅	🟡	🟠	⚪
	Joint outcomes	✅	⚪	⚪	🟡	🟠	🟡	🟠	⚪

*SPA committees and the Board provide a second line of defence oversight role for all areas.

**All levels of assurance grading represent SPA officials professional judgement of the overall level of assurance planned, recognising that assurance work will consider specific aspects of each risk.

***ASP – Adult support and protection; CARH – Children at risk of harm.

Authority's strategic assurance map
Strategic priority / outcomes

This summarises the planned assurance activities for 2023/24 relative to the **strategic police priorities and strategic outcomes**.

- ✅ High assurance planned
- 🟠 Moderate assurance planned
- 🟡 Low assurance planed
- ⚪ Limited / no assurance activity planned

		1 Management	**2** Oversight function*	**3** Internal audit		**4** External audit, inspection & review			
		Business as usual activity	PS risk, assurance & inspection team	Internal audit plan		HMICS scrutiny plan		External audit	PIRC
Strategic police priorities	**Strategic outcomes (Joint strategy for policing)**	• Risk register • Policies / SOPS • Performance management Internal governance SPA oversight • Annual assurance statements • Annual / local policing plan • BCP	• Conduct assurance reviews of business areas. • Detailed follow up and monitoring of all audit and assurance activities.	• Core financial controls • Prioritisation of budget • Ill health pensions & injury • Grievance process • IT general controls	• BV readiness • Decision making process • Electronic data retention (incl iVPD) • Biometrics • Change project review • New legislation	• SPA • Frontline focus – role of a frontline office & training • Joint inspection of ASP and services for CARP*** • Custody • Domestic abuse phase 2 • Drug harm reduction	• Cyber and online fraud • Strategy & performance • Missing persons • Conduct	• Statutory external audit *Wider scope:* • Vision, leadership & governance • Financial management / sustainability • Use of resources to improve outcomes	Investigations & complaints handling as required.
▪ Crime & security ▪ Evidence	1. Threats to public safety and wellbeing are resolved by a proactive and responsive police service.	✅	✅	🟠	🟠	✅	✅	⚪	⚪
	2. The needs of local communities are addressed through effective service delivery.	✅	✅	🟠	🟠	✅	✅	🟡	⚪
▪ Confidence ▪ Partnerships	3. The public, communities and partners are engaged, involved and have confidence in policing.	✅	✅	🟡	🟠	🟠	🟡	🟡	✅
▪ People	4. Our people are supported through a positive working environment, enabling them to serve the public.	✅	✅	✅	✅	✅	🟠	🟡	⚪
▪ Sustainability	5. Police Scotland is sustainable, adaptable and prepared for future challenges.	✅	✅	✅	✅	🟠	✅	✅	⚪

*SPA committees and the Board provide a second line of defence oversight role for all areas.
**All levels of assurance grading represent SPA officials professional judgement of the overall level of assurance planned, recognising that assurance work will consider specific aspects of each risk.
***ASP – Adult support and protection; CARH – Children at risk of harm.

Authority's strategic assurance map
Business area

This summarises the planned assurance activities for 2023/24 relative to the high **level business areas**.

Legend:
- ✔ (green) High assurance planned
- ✔ (orange) Moderate assurance planned
- ✔ (yellow) Low assurance planed
- ○ (grey) Limited / no assurance activity planned

	1 Management	**2 Oversight function***	**3 Internal audit**		**4 External audit, inspection & review**			
	Business as usual activity	PS risk, assurance & inspection team	Internal audit plan		HMICS scrutiny plan		External audit	PIRC
	• Risk register • Policies / SOPS • Performance management Internal governance SPA oversight • Annual assurance statements • Annual / local policing plan • BCP	• Conduct assurance reviews of business areas. • Detailed follow up and monitoring of all audit and assurance activities.	• Core financial controls • Prioritisation of budget • Ill health pensions & injury • Grievance process • IT general controls	• BV readiness • Decision making process • Electronic data retention (incl iVPD) • Biometrics • Change project review • New legislation	• SPA • Frontline focus – role of a frontline office & training • Joint inspection of ASP and services for CARP*** • Custody • Domestic abuse phase 2 • Drug harm reduction	• Cyber and online fraud • Strategy & performance • Missing persons • Conduct	• Statutory external audit *Wider scope:* • Vision, leadership & governance • Financial management / sustainability • Use of resources to improve outcomes	Investigations & complaints handling as required.
SPA Corporate	High		Moderate	Limited/none	High	Limited/none	High	Limited/none
SPA Forensic Services	High		Low	High	Limited/none		Low	Limited/none
PS: Local Policing	High	High	Low	Low	High	Limited/none	Low	Moderate
PS: Crime & Operational Support	High	High	Low	Low	High	High	Low	Moderate
PS: People & Professionalism	High	High	High	Low	High	High	Low	Moderate
PS: Corporate Services, Strategy & Change	High	High	High	High	Limited/none	High	High	Limited/none

*SPA committees and the Board provide a second line of defence oversight role for all areas.
**All levels of assurance grading represent SPA officials professional judgement of the overall level of assurance planned, recognising that assurance work will consider specific aspects of each risk.
***ASP – Adult support and protection; CARH – Children at risk of harm.

Scottish Police Authority

Internal Audit Plan 2023/24

January 2023

The Scottish Police Authority

Internal Audit Plan 2023/24

Introduction

> Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

Section 3 – Definition of Internal Auditing, Public Sector Internal Audit Standards

Our strategic internal audit plan is designed to provide the Scottish Police Authority, through the Audit, Risk and Assurance Committee, with the assurance it needs to prepare an annual Governance Statement that complies with best practice in corporate governance. We also aim to contribute to the continuous improvement of governance, risk management and internal control processes through the implementation of this this plan.

Azets' internal audit methodology complies fully with the Public Sector Internal Audit Standards (PSIAS), which cover the mandatory elements of the Chartered Institute of Internal Auditors' International Professional Practices Framework.

Internal Audit Plan

The PSIAS require the Chief Internal Auditor to produce a risk-based plan, which takes into account the Scottish Police Authority (SPA) and Police Scotland's (PS) risk management framework, its strategic objectives and priorities and the views of senior managers and the Audit, Risk and Assurance Committee (ARAC). The objective of audit planning is to direct audit resources in the most efficient manner to provide sufficient assurance that key risks to the achievement of SPA and PS objectives are being managed effectively and value for money is being achieved.

This document addresses these requirements by setting out the internal audit plan for the year 2023 to 2024.

As internal auditors, we aim to add value to SPA and PS by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way we aim to help the organisation promote improved standards of governance, better management and decision making and more effective use of funds. Relevant audits will assess whether the current processes provide best value for money.

Audit, Risk and Assurance Committee action

When preparing the Strategic Internal Audit Plan we carried out an audit needs assessment, which included consideration of key risks, known issues, business plans, projects and a review of the recently refreshed audit universe to ensure all key processes have been subject to audit on a cyclical basis. We have also engaged with management across both SPA and Police Scotland to seek initial views and suggestions regarding potential areas of focus over the year.

The resultant draft strategic plan is included within Appendix 1.

We would highlight to members that the plan has been prepared based on Azets' planning methodology and approach to delivering audits. All references to the audit approach, staffing complement, timetable and the Internal Audit Charter at Appendix 3 are based on our methodology.

Given that a new provider has been appointed to deliver the internal audit programme from 2023/24 onwards, we recommend that once they have been onboarded they are given the opportunity to review and refine the audit plan in line with their own approach to audit delivery.

The ARAC is now asked to review and comment on the proposed audit areas for 2023/24.

Internal audit approach

Supporting the Governance Statement

Our Internal Audit Plan is designed to provide the SPA, through the Audit, Risk and Assurance Committee, with the assurance it needs to prepare an annual Governance Statement that complies with best practice in corporate governance. We also aim to contribute to the improvement of governance, risk management and internal control processes by using a systematic and disciplined evaluation approach.

Risk based internal auditing

Our methodology links internal audit activity to the organisation's risk management framework. The main benefit to the SPA is a strategic, targeted internal audit function that focuses on the key risk areas and provides maximum value for money.

By focussing on the key risk areas, internal audit should be able to conclude that:

- Management has identified, assessed and responded to SPA and PS's key risks;

- The responses to risks are effective but not excessive;

- Where residual risk is unacceptably high, further action is being taken;

- Risk management processes, including the effectiveness of responses, are being monitored by management to ensure they continue to operate effectively; and

- Risks, responses and actions are being properly classified and reported.

We have reviewed the SPA's risk management arrangements and have confirmed that they are sufficiently robust for us to place reliance on the risk register as one source of the information we use to inform our audit needs assessment.

Risk registers are one key source of the information we use to inform our audit needs assessment. We ensure all key risk areas are captured for the audit needs assessment by discussing these with management. By focusing on key risk areas, our audits contribute to the continuous improvement of the controls in place to manage these risks and provide assurance to those charged with governance about the extent to which the key risks are effectively mitigated by management actions.

Audit needs assessment

Our internal audit plans are based on an assessment of audit need. "Audit need" represents the assurance required by the Audit, Risk, and Assurance Committee from internal audit that the control systems established to manage and mitigate the key inherent risks are adequate and operating effectively. The objective of the audit needs assessment is therefore to identify these key controls systems and determine the internal audit resource required to provide assurance on their effectiveness.

Our audit needs assessment takes both a top-down and bottom-up approach followed by a reasonableness check. The top-down approach involves identifying the areas of highest inherent risk and the control systems in place to manage those risks. The bottom-up approach involves defining SPA and PS's audit universe

(potential auditable areas) and covering all systems on a cyclical basis in line with their relative risk and significance. The reasonableness check involves us using our experience of similar organisations, together with discussions with other internal auditors, to ensure that all key risk areas and systems have been considered and the resulting internal audit plan seems appropriate.

Our audit needs assessment involved the following activities:

- Reviewing SPA and PS risk registers,

- Reviewing SPA and PS's strategic and operational plans,

- Reviewing previous internal audit reports,

- Reviewing external audit reports and plans,

- Reviewing the SPA's website and internal policies and procedures,

- Utilising our experience at similar organisations and our understanding of SPA and PS; and

- Discussions with senior management and the Audit, Risk and Assurance Committee.

The audit needs assessment is revised on an on-going basis (at least annually) to take account of any changes in SPA and PS's risk profiles. Any changes to the internal audit plan are approved by the Audit, Risk and Assurance Committee, and by the Board as deemed appropriate by members.

Best value

Our work helps SPA and PS to determine whether services are providing best value. Each year, relevant audits will assess whether the current processes provide best value for money i.e. whether the controls identified to mitigate risks are working efficiently and effectively. Where we identify opportunities for improving value for money, we raise these with management and include them in the report action plan.

Liaison with external audit

We seek to complement the areas being covered by SPA's external auditors, Grant Thornton. As part of the development of the plan, we consulted with both Grant Thornton and HMICS to understand the scope of their planned work. This helps us to target our work in the most effective manner, avoiding duplication of effort and maximising the use of the total audit resource.

Appendix 1 – Strategic Internal Audit Plan 2023/24

Audit area	2020/21	2021/22	2022/23	2023/24	Audit objectives (Notes)
A. Corporate Support Services – Finance					
A.1 Core Financial Systems	30	30	35	30	**2020/21:** Fixed assets *(To review the arrangements for identifying, recording, valuing and verifying fixed assets)* **2021/22:** IFRS 16 *(To review preparedness for the introduction of new reporting standards in relation to lease treatment)* **2022/23**: Receivables, Cash and Treasury Management *(Review of controls over collection of income and controls over operation of cash management, including bank reconciliations and cash flow forecasting)* **2023/24:** Core Financial Controls *exact scope to be agreed in conjunction with incoming IA team but could include e.g. Payroll, Non-Pay Expenditure or Procurement*
A.2 Benefits Realisation and efficiency targets	75				To review arrangements for the measurement of productivity, capacity, and financial benefits arising from transformation programmes and other work within Police Scotland. Includes coverage of the annual efficiency savings target process.
A.3 Payroll	30	30			To review the operation of payroll processes in the context of the newly implemented iTrent Payroll system, and revisions to the structure of payroll administration across Police Scotland. To incorporate specific review of overtime and allowances in year 3.
A.4 Non-Pay Expenditure Follow Up	30				To review the progress of the planned rollout of a proposed unified Purchase to Pay system, including the operation of purchasing controls in areas where new processes have been implemented.

A.5 Budget setting / prioritisation				40	To review how business cases are prioritised as well as capital / reform spend particularly given future financial challenges. Consideration of focus on spend to save projects.
Subtotal A:	**165**	**60**	**35**	**70**	

B. Corporate Support Services – People and Development

B.1 Staff Pay and Reward Modernisation (SPRM)		35			Post implementation review of SPRM to confirm all ten legacy pay scales and terms and conditions have now been reduced into a single staff pay and reward structure, including confirmation that staff have been consulted throughout the process and that all salaries, working hours, holiday allowances and overtime rates have all been fairly consolidated for colleagues undertaking similar roles.
B.2 Staff wellbeing	30				To review to assess SPA and Police Scotland's commitment to staff wellbeing in line with the People Strategy, ensuring there is an understanding of the key issues affecting the workforce, actions are being taken to address and regularly monitored.
B.3 Organisational learning			55		To review PS approach to understanding and responding to the staff survey results with particular focus on the implementation of new processes relate to learning and development.
B.4 Staff absence and modified duties			40		To review changes recently implemented changes in the approach to manage staff absences post COVID-19.
B.5 Ill health retirements & injury				35	To review focused on the police officers ill health retirement and injury pensions process.
B.6 Grievance process				30	To review internal PS grievance process, focussing on reviewing new approaches.
Subtotal B:	**30**	**35**	**95**	**65**	

C. Corporate Support Services – Other

C.1 Performance management	75				To review the arrangements to monitor progress against the delivery of Police Scotland's Strategic Plan outcomes, Annual Police Plan and Local Police Plans. This will include as assessment of the arrangements for timeliness, robustness of management information and impact measures. To include detailed review of a sample of specific KPIs.
C.2 Estates management		40			Review of estate management processes to ensure fit for purpose and support the achievement of the Estates Strategy. The review will ensure there is a system in place to report and manage repairs and damage to the portfolio of premises and, maintenance works are appropriately prioritised to ensure all properties are maintained to the required standard.
C.3 Procurement and tendering		35			The review will consider the procurement arrangements in place across SPA and PS to ensure that goods and services are properly procured and all legislation is fully complied with. This will also review the contract management arrangements in place for a sample of suppliers to assess how both bodies gain comfort over service delivery.
C.4 Health and safety		40			To review the processes and procedures for health and safety across SPA and PS. This will include policies and procedures, adherence to legislation, staff training, governance and incident monitoring and reporting.
C.5 Forensics Case Management	25				To assess the extent to which there are robust controls over the management of forensic evidence, including communication and interaction with Police Scotland, COPFS and the Lord Advocate
C.6 Management response to COIVID 19	50				To review the approach taken by Police Scotland management to undertake the initial response to COVID-19. The review will consider the key COVID 19 response decisions made by Police Scotland including the impact of revised working practices, associated procurement spend, tendering arrangements and other staffing costs.

Audit area					Description
C.7 Home working security	32				To review the arrangements for securing remote access to Police Scotland and SPA (including Forensics) IT systems, revisions to payment processes to accommodate home working, and the security of hard copy files which would normally be retained on Police Scotland premises.
C.8 Strategic planning		50			To review the processes to develop, implement and report on the delivery of the strategy and sub strategies of Police Scotland
C.9 Change management: DESC			40		To review the overarching governance and pilot of the DESC project.
C.10 Change management: Review TBC			40		This is intended to be a review of change management processes within Police Scotland – still to be scoped
C.11 Environmental impact		35			To review the approach of Police Scotland to assess and report environmental impact
C.12 Vetting			35		To review processes of vetting staff and contractors to assess suitability to undertake work with PS and SPA.
C.13 Best Value readiness				25	To assess Police Scotland's arrangements to secure and demonstrate best value and ensure they are built into its procedures, considering organisation maturity and consider future arrangements. This is a supportive audit in advance of detailed BV plans being in place.
C.14 Decision Making processes - Governance				30	A review that considers PS's internal governance processes and procedures relating to decision making / governance forum. This will consider the speed and agility of decision-making framework to support organisational change. In addition, it will consider if PS has the skills/capacity to determine priorities and if there is a governance structure that is agile enough to adapt to uncertain time.

C.15 Project review – Middle office restructure project				40	This is intended to be a review of key initiative. A review of the change management process for the middle office restructure project will be undertaken.
Subtotal C:	**182**	**200**	**115**	**95**	
D. Corporate Support Services – ICT					
D.1 Business continuity planning			50		To assess the business continuity plans in place, including identification of key systems, required recovery times, recovery plans and communication. Consideration will be given to the mass mobilisation of plans required to respond effectively to the impact of events such as COVID 19
D.2 ICT service delivery		35			Review of the service delivery standards, monitoring and reporting arrangements in place within ICT including communication and governance.
D.3 Cyber Security			50		Review of cyber security processes in light of increased cyber threats noted at our public bodies.
D.4 Review of IT general controls				50	A review focused on key ICT controls.
Subtotal D:	**0**	**35**	**100**	**50**	
E. Local and Specialist Policing					
Subtotal E:	**-**	**-**	**-**	**-**	
F. Operational and Specialist Support					
Subtotal F:	**-**	**-**	**-**	**-**	

G. Compliance and Regularity

G.1 Legal claims handling		30			We will undertake a review of the process for assessing and deciding upon legal claims within SPA and PS. In particular, this review will consider how lessons learned from cases are shared and embedded within guidance and training. (deferred from 2019/20).
G.2 Data protection and retention	35				To assess SPA and PS compliance with data protection legislation, including information storage and retention arrangements.
G.3 Data quality and integrity		50			We will undertake a review of arrangements to assess arrangements to assure the quality and integrity of data at an enterprise level
G.4 Follow up	20	20	20	20	Quarterly follow up of outstanding internal audit actions
G.5 PS Compliance			45		To review the level 2 assurance areas. This review will sample specific projects such as the rape task force.
G.6 SPA/Forensics physical data management			30		Review of approach of SPA/Forensics to assess the adequacy of processes to manage the storage and movement of physical data.
G.7 New Legislation				40	To review overall PS management approach to new legislation. Including how to plan for and implement required legislative changes, consider the quality of how new legislation is introduced into the service and review the capacity and capability to do so.
G.8 Electronic Data Retention plus iVPD focus				50	To review electronic file storage, destruction and retention processes to ensure compliance with wider legislation and SPA/PS's own internal policies. A targeted review will be performed of the iVPD system considering data issues related to consent, communication, retention and destruction.
G.9 Biometrics				35	To review compliance with Scottish Biometrics Commissioners Code of Practice on the acquisition, retention, use and destruction of biometric data for criminal justice and police purpose in Scotland.
Sub-total G:	**55**	**100**	**95**	**145**	

H. Audit, Risk and Assurance Committee, liaison and reporting

H.1 Audit & Risk Committee planning and attendance	20	20	20	20	To cover preparation and attendance of IA team at all Audit, Risk and Assurance Committee meetings and development days (c. 5 meetings pa)
H.2 Monthly liaison meetings	18	18	18	18	To attend liaison meetings with SPA x 2 and PS x 2
H.3 Reporting, ad-hoc meetings and other liaison	6	6	6	6	To cover additional meetings, progress reporting and other ad-hoc information requests as required
H.4 Liaison with external audit and HMICS	4	4	4	4	Quarterly meetings with HMICS plus liaison with Audit Scotland as required.
H.5 Audit needs analysis – strategic and operational IA planning	15	10	10	10	Additional days required in Year 1 to develop new 3 Year Plan
H.6 Annual internal audit report	2	2	2	2	
Sub-Total H:	**65**	**60**	**60**	**60**	
I. Contingency					
Contingency	50	10	-	15	
Sub-Total I	**50**	**10**	**-**	**15**	
TOTAL	**500**	**500**	**500**	**500**	

Appendix 2 – Internal audit universe

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
A. Corporate Support Services – Finance									
Financial ledger / Financial system	✔		✔				✔	H	Cyclical review - every 3 to 5 years
Financial reporting	(✔)	✔	(✔)	(✔)	(✔)	(✔)	(✔)	M	Covered by external audit
Financial planning			✔	✔		✔		H	Cyclical review - every 3 to 4 years
Payroll		✔			✔	✔		H	Cyclical review - every 3 to 4 years
Executive/Chief officer pay					✔			L	Not identified as area of risk
Budget setting		✔						H	Cyclical review - every 3 to 4 years
Budget management / Budget Investment			✔			✔	✔	H	Cyclical review - every 3 to 4 years
Savings plans			✔			✔		H	Covered every 3 to 4 years - as part of Budget management
Treasury and cash management				✔		✔		M	Covered by Financial systems Review
Fixed assets		✔				✔		H	Cyclical review - every 3 to 4 years
Income and receivables				✔				M	Cyclical review - every 3 to 5 years
Income generation								M	Cyclical review - every 3 to 5 years

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Expenditure and payables		✔			✔			H	Cyclical review - every 3 to 4 years
Accounting policies	(✔)	(✔)	(✔)	(✔)	(✔)	(✔)		M	Covered by external audit
SPFM compliance (Policies and Procedures)		✔						M	Cyclical review - every 3 to 5 years
Procurement and tendering		✔		✔		✔		H	Cyclical review - every 3 to 4 years
Contract management				✔		✔		H	Covered by procurement audit
Business partnering		✔	✔					H	Covered by Budget setting and monitoring
B. Corporate Support Services – People and Development									
Leadership and professional development								M	Cyclical review - every 3 to 5 years
Training delivery								M	Cyclical review - every 3 to 5 years
Staff rostering			✔		✔			M	Covered by Workforce management review
Demand and Productivity					✔			M	Cyclical review - every 3 to 5 years
Police overtime and allowances			✔			✔		M	Covered by Payroll review
Special constabulary								L	Not identified as area of risk
Agency and consultant arrangements		✔		✔				M	Cyclical review - every 3 to 5 years
People / workforce strategy					✔			H	Cyclical review - every 3 to 4 years
Workforce/HR management			✔		✔			M	Cyclical review - every 3 to 5 years
Resource planning			✔		✔			H	Cyclical review - every 3 to 4 years

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Succession planning			✔		✔			L	Not identified as area of risk
Staff performance management				✔				H	Cyclical review - every 3 to 4 years
Recruitment and retention		✔						H	Cyclical review - every 3 to 4 years
Equality and diversity		✔						M	Cyclical review - every 3 to 5 years.
Employee contracts								L	Not identified as area of risk
Annual leave			✔					L	Covered by Workforce management review
Sickness absence			✔			✔		L	Covered by Workforce management review
Conduct issues								L	Not identified as area of risk
Staff Pay Reward Modernisation (SPRM)						✔		M	
Ill health retirement & injury							✔	L	Not identified as area of risk
Grievance process							✔	L	Not identified as area of risk
C. Corporate Support Services – Other									
Project management - capital projects	✔		✔					H	Cyclical review - every 3 to 4 years
Change management	✔		✔	✔	✔	✔	✔	H	Cyclical review - every 3 to 4 years
Fleet management								M	Cyclical review - every 3 to 5 years
Estates and asset management			✔			✔		M	Cyclical review – every 3 to 5 years
Environmental management						✔		L	Not identified as area of risk

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Waste management								L	Not identified as area of risk
Performance management			✔			✔		H	Cyclical review - every 3 to 4 years
Strategic planning		✔				✔		H	Cyclical review - every 3 to 4 years
Delivery of policing 2026 programme		✔				✔		H	Cyclical review - every 3 to 4 years
SPA Corporate governance			✔				✔	H	Cyclical review - every 3 to 4 years
PS Corporate governance			✔				✔	H	Cyclical review - every 3 to 4 years
Risk management				✔				H	Cyclical review - every 3 to 4 years
Efficiency targets						✔		H	Cyclical review - every 3 to 4 years
Information management			✔					M	Cyclical review – every 3 to 5 years
Risk, Assurance & Inspection Unit				✔				M	Cyclical review – every 3 to 5 years
Lean management		✔						M	Cyclical review - every 3 to 5 years
Litigation costs						✔		M	Legal Claims Handling audit
Health and safety						✔		H	Cyclical review - every 3 to 4 years
Fire safety								H	Cyclical review - every 3 to 4 years
Vetting procedures		✔						H	Cyclical review - every 3 to 4 years
Case and records management	✔		✔					H	Cyclical review - every 3 to 4 years

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Governance statement readiness								M	Cyclical review - every 3 to 5 years
Fraud prevention					✔			M	Cyclical review - every 3 to 5 years
National Fraud Initiative (NFI) outcomes			✔					M	Cyclical review - every 3 to 5 years
Freedom of information (FoI)								L	Not identified as area of risk
Data protection compliance			✔			✔		M	Cyclical review - every 3 to 5 years
Complaints management					(✔)			M	Covered by Independent Review
External communications								L	Not identified as area of risk
Internal communications				✔	✔	✔		H	Covered within transformational change work and employee wellbeing
Marketing and digital media								L	Not identified as area of risk
News								L	Not identified as area of risk
Best Value readiness							✔	L	Not identified as area of risk
D. Corporate Support Services – ICT									
Service delivery		✔				✔		M	Cyclical review - every 3 to 5 years
Applications and development	✔		✔	✔	✔		✔	M	Cyclical review - every 3 to 5 years
CTO								M	Cyclical review - every 3 to 5 years
IT strategy			✔					H	Cyclical review - every 3 to 4 years

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Business continuity planning		✔				✔		M	Cyclical review - every 3 to 5 years
Disaster recovery		✔				✔		M	Covered as part of BCP
IT security	✔				✔	✔		H	Cyclical review - every 3 to 4 years
Network management					✔			M	Cyclical review - every 3 to 5 years
Software development		✔						M	Cyclical review - every 3 to 5 years
IT developments - projects				✔				H	Covered within Transformational Change Programme
Information management			✔	✔				M	Cyclical review - every 3 to 5 years
IT governance			✔					M	Covered by IT strategy and Information governance
ICT project expenditure								M	Cyclical review - every 3 to 5 years
E. Local and specialist policing									
Local Policing / Crime								M	Cyclical review – every 3 to 5 years
Divisions								M	Cyclical review every 5 to 7 years
Shared services								M	Cyclical review – every 3 to 5 years
Partnership working/ Joint working				✔				H	Cyclical review - every 3 to 4 years
Major crime								M	Cyclical review – every 3 to 5 years
Public protection								M	Cyclical review – every 3 to 5 years

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Local crime								M	Cyclical review – every 3 to 5 years
Organised crime								L	Not identified as area of risk
Counter Terrorism								L	Not identified as area of risk
Intelligence Support								L	Not identified as area of risk
Cybercrime								L	Not identified as area of risk
Brexit								H	Current topic
Forensics								L	Not identified as area of risk
Safer Communities								L	Not identified as area of risk
F. Operational and specialist support									
Specialist Services								L	Not identified as area of risk
Armed policing								L	Not identified as area of risk
Specialist Operations								L	Not identified as area of risk
Specialist Support								L	Not identified as area of risk
Contact command and control (C3) facilities								H	Cyclical review - every 3 to 4 years
Air support								L	Not identified as area of risk
Dive and marine unit								L	Not identified as area of risk
Dog unit								L	Not identified as area of risk

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Hostage and Crisis Negotiation Coordination								L	Not identified as area of risk
Mountain Rescue								L	Not identified as area of risk
Mounted section								M	Cyclical review – every 3 to 5 years
Search / Public Order								M	Cyclical review – every 3 to 5 years
Football Coordination Unit								M	Cyclical review – every 3 to 5 years
Emergency Events and Resilience Planning (EERP)								M	Cyclical review – every 3 to 5 years
Roads policing								M	Cyclical review – every 3 to 5 years
Call handling								M	Cyclical review – every 3 to 5 years
Crime mapping								M	Cyclical review – every 3 to 5 years
Stop and search								M	Cyclical review – every 3 to 5 years
Crime recording								M	Cyclical review – every 3 to 5 years
Operational planning								H	Cyclical review - every 3 to 4 years (part of strategic planning)
Police equipment and devices								M	Cyclical review – every 3 to 5 years
Firearms								M	Cyclical review – every 3 to 5 years
Forensic equipment								M	Cyclical review – every 3 to 5 years

Auditable area	2015/16	2016/17	2017/18	2018/19	2019/20	2020-23	2023/24	Risk Ref	Frequency
Stock management					✔			M	Cyclical review – every 3 to 5 years
Incident management								M	Cyclical review – every 3 to 5 years
Custody Services								M	Cyclical review – every 3 to 5 years
Crown Office and Procurator Fiscal (COPFS) Liaison								M	Cyclical review – every 3 to 5 years
Disclosure Administration								L	Not identified as area of risk
Productions					✔			H	Cyclical review - every 3 to 5 years
Lost and found property								L	Not identified as area of risk
Administration of warrants, court orders, interdicts, fixed penalty tickets and direct measures								M	Cyclical review – every 3 to 5 years
Victim satisfaction and victim / witness care								M	Cyclical review – every 3 to 5 years
Prisoner Belongings								M	Cyclical review – every 3 to 5 years
G. Compliance and Regularity									
Data Quality and Integrity						✔		M	Cyclical review – every 3 to 5 years
Legislation							✔	L	Not identified as area of risk
Electronic Data Retention							✔	L	Not identified as area of risk
Biometrics							✔	L	Not identified as area of risk