



Meeting	Audit, Risk and Assurance Committee
Date	6 February 2024
Location	By video conference
Title of Paper	Internal Audit Reports
Presented By	Claire Robertson, Risk and Advisory Services Director
Recommendation to Members	For Discussion
Appendix Attached	Appendix A – New Legislation Report

PURPOSE

To present the Audit, Risk and Assurance Committee (ARAC) with the New Legislation internal audit report from the 2023/24 internal audit plan.

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 2023/24 was approved by the ARAC in January 2023.
- 1.2 New Legislation – Legislative change is an area of strategic importance and ongoing risk for Police Scotland, having the potential for significant disruption to Police Scotland’s service delivery if such change is not managed through highly effective and robust means.

2 FURTHER DETAIL ON THE REPORT TOPIC

2.1 New Legislation (Appendix A)

a. Background:

- The purpose of this review was to provide management and the ARAC with assurance over the design and operational effectiveness (where applicable) of the controls in place surrounding the new legislation process. Internal audit also provided recommendations for improvements, where applicable, to the new process for implementing new legislation and legislative change.

b. Internal Audit Findings:

- BDO are able to provide limited assurance over the design of the arrangements in place. However, BDO are not able to provide assurance over the effectiveness due to the new legislation process being very new. There have been no examples of the process being completed at the time of auditing to provide evidence on the operating effectiveness of the process or robustness of the costing methodology.
- Overall, BDO found whilst the newly designed process should deliver a marked improvement in the ability to centrally co-ordinate, evaluate and cost the impact of legislation changes, there are important areas where the design of the process is not sufficiently clear, for example, the methodology for costing the required changes.
- Throughout the review, BDO identified five findings where there is an opportunity for improvement, one assessed as high and four as medium significance.

c. Summary of Findings of New Legislation:

	FINDINGS	ACTIONS
High	1	3
Medium	4	5
Low	0	0
Total	5	8

d. SPA Considerations:

- SPA welcomes the findings that the new process should bring improvements while also acknowledging the BDO findings identifying opportunities for further improvements. Future utilisation of the model should provide evidence that the process is effective which will be considered as part of follow up work.

3 FINANCIAL IMPLICATIONS

3.1 There are no specific financial implications from this report The cost associated with the delivery of internal audit, in line with the plan and contract, is included in the SPA budget for 2023/24.

4 PERSONNEL IMPLICATIONS

4.1 There are no personnel implications in this report.

5 LEGAL IMPLICATIONS

5.1 There are no legal implications in this report.

6 REPUTATIONAL IMPLICATIONS

6.1 There are no reputational implications in this report.

7 SOCIAL IMPLICATIONS

7.1 There are no social implications in this report.

8 COMMUNITY IMPACT

8.1 There are no community implications in this report.

9 EQUALITIES IMPLICATIONS

9.1 There are no equality implications in this report.

10 ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications in this report.

RECOMMENDATIONS

Members are invited to discuss and note the internal audit report on New Legislation.

SCOTTISH POLICE AUTHORITY

New Legislation

INTERNAL AUDIT REPORT

JANUARY 2024

LEVEL OF ASSURANCE:

DESIGN	LIMITED
EFFECTIVENESS	N/A

CONTENTS

1. <u>EXECUTIVE SUMMARY</u>	3
2. <u>DETAILED FINDINGS</u>	5
3. <u>OBSERVATIONS</u>	13
6. <u>APPENDIX I: DEFINITIONS</u>	16
7. <u>APPENDIX II: TERMS OF REFERENCE</u>	17
8. <u>APPENDIX III: STAFF INTERVIEWED</u>	18
9. <u>APPENDIX IV: LIMITATIONS AND RESPONSIBILITIES</u>	19

RESTRICTIONS OF USE

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



DISTRIBUTION LIST	
FOR ACTION	ACC Middleton
	Nicholas Clasper
	Scott Ross
	Audit, Risk, and Assurance Committee Members
FOR INFORMATION	Audit Manager

REPORT STATUS	
LEAD AUDITOR(S):	Joe Reid
DATES WORK PERFORMED:	28 th September 2023 - 11 th January 2024
ADDITIONAL DOCUMENTATION RECEIVED:	N/A
DRAFT REPORT ISSUED:	15/01/2024
MANAGEMENT RESPONSES RECEIVED:	26/01/2024
FINAL REPORT ISSUED:	29/01/2024



EXECUTIVE SUMMARY

LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)		
DESIGN	LIMITED	System of internal controls is weakened with system objectives at risk of not being achieved.
EFFECTIVENESS	N/A	Unable to form assurance opinion.

SUMMARY OF FINDINGS (SEE APPENDIX I)			# OF AGREED ACTIONS
H	1		3
M	4		5
L	0		0
TOTAL NUMBER OF FINDINGS: 5			

BACKGROUND & SCOPE

As part of the 2023-24 internal audit plan, approved at the Audit, Risk and Assurance Committee, it was agreed that a review of the new legislation process should be undertaken by Internal Audit.

Legislative change is an area of strategic importance and ongoing risk for Police Scotland, having the potential for significant disruption to Police Scotland's service delivery if such change is not managed through highly effective and robust means.

As part of the ongoing monitoring and review of significant strategic risks, it was identified by the organisation that the existing approach to implementing new legislation needed to be revised. It was felt that the historic process could be streamlined and improved to better facilitate a cohesive approach to introducing new legislation to the organisation, to consistently enable high quality consultations, and to better assess the cumulative impacts of new legislation.

Considering the above, a new process was developed which has been agreed through the Strategic Leadership Board. The new process identifies Scottish Government Police Powers as the single point of entry into Police Scotland, through which all new legislation will be introduced and consultation with relevant divisions will flow, while the Police Scotland Parliament and Government Liaison Team will take ownership internally.

Further, a Legislative Review Group has been established under the new process, with responsibility for assessing the cumulative impact of new legislation, via a legislative impact assessment, which will identify issues to be raised with Scottish Government at the early stages of review. The Legislative Review Group also has responsibility for providing the corporate response, which is intended to help maintain a high quality of responses and enhance reporting around the financial implications of legislative change.

Consultations will include a 'RAG' rating, assigned according to the determined impact of each new piece of legislation. The assigned rating will be an indication as to the required levels of input and support required to ensure the legislation can be rolled out with the best chance of success.

An independent review of the new legislation process was requested by management, whereby Internal Audit would review the overall approach and to consider the adequacy of this process or extent to which opportunities for improvement may be identified.

PURPOSE

The purpose of this review was to provide management and the Audit, Risk, and Assurance Committee with assurance over the design and operational effectiveness (where applicable) of the controls in place surrounding the new legislation process. We also provided recommendations for improvements, where applicable, to the new process for implementing new legislation and legislative change.

CONCLUSION

As a result of the work conducted for this review, we can provide limited assurance over the design of controls in place to govern the new legislation process.

Whilst the newly designed process should deliver a marked improvement in the ability to centrally co-ordinate, evaluate and cost the impact of legislation changes, there are important areas where the design of the process is not sufficiently clear, for example, the methodology for costing the required changes. In addition, because the new legislation process is very new, there have been no examples of the process being completed at the time of auditing, for us to conclude on the operating effectiveness of the process or robustness of the costing methodology.



EXECUTIVE SUMMARY

SUMMARY OF FINDINGS RAISED

The following findings have been identified from this review:

- As the process was designed at the time of audit, whilst there is the opportunity for Finance to make comments on the piece of legislation being provided, there is no detailed breakdown on the calculations behind the financial impact of the legislative change, nor is there an official ratification of the figures included from Finance. A report was delivered to the Resources Committee on 19th December 2023 which contained financial information which had not been ratified by Finance.
- While it is noted that there is a process map in place for the new legislation process, there is currently no formally documented guidance or cover note to accompany the process map which outlines the risks of non-compliance with the process, guidance for staff to follow, high-level roles and responsibilities, reporting/oversight arrangements, timescales for completing impact assessments, and guidance for assessing the cumulative impact of new legislation.

- There are several areas in which the process maps could be improved to provide a more complete and accurate reflection of the new legislation Process.
- The current legislation assessment template does not include a way of assessing the people resources needed or whether there is available capacity to implement a piece of new legislation.
- At the first meeting of the LRG (23/11/2023) no minutes were taken, therefore there is no way of tracking the conversations that occurred or actions planned in the meeting.

SUMMARY OF GOOD PRACTICE

During our review, we identified several areas of good practice:

- The process that has been developed for handling new legislation within Police Scotland is a significant step forward in providing a single point of entry and streamlining the process of assessing legislation.
- Roles and responsibilities for members of the Legislation Review Group are highlighted within the TOR.
- There are plans to conduct a review of the new legislation process once it has been in operation for three months allowing for any difficulties or bottlenecks in the process to be identified and addressed.




DETAILED FINDINGS



DETAILED FINDINGS

RISK: SPA and Police Scotland Management may not have effective oversight of the effectiveness of the new legislation process, or progress of ongoing projects, including of operational or financial impacts, due to a lack of complete, accurate and timely information being reported.

FINDING 1 - REPORTING TO THE RESOURCES COMMITTEE	TYPE
<p>Finance should be consulted to ratify any cost figures that are allocated to new legislation implementation within Police Scotland, and a full detailed breakdown of costings and an audit trail of Finance review and ratification should be available to demonstrate the detail and scrutiny of any figures presented through governance channels for decision making purposes.</p> <p>As the process was designed at the time of audit, whilst there is the opportunity for Finance to make comments on the piece of legislation being provided, there is no detailed breakdown on the calculations behind the financial impact of the legislative change, nor is there an official ratification of the figures included from Finance. Furthermore, a report was delivered to the Resources Committee on 19th December 2023 which contained financial information which had not been ratified by Finance, and for which no detailed breakdown or analysis was available. It is noted that management explained that the report delivered to the Resources Committee on 19th December 2023 was compiled in a short timeframe due to the budget setting timetable.</p>	<p>EFFECTIVENESS</p> 
IMPLICATION	SIGNIFICANCE
<p>If the Finance Team within Police Scotland are not being consulted when considering the costing of the impact of new pieces of legislation and, no ratification is provided, this will undermine the credibility of new legislation process. There would then be a risk that the Resourcing Committee will be unable to place reliance on the new legislation process and the costs associated with the implementation of new pieces of legislation. There is a further risk that the resourcing committee may make decisions based on inaccurate or misleading reporting.</p>	<p>HIGH</p>



DETAILED FINDINGS


RISK: SPA and Police Scotland Management may not have effective oversight of the effectiveness of the new legislation process, or progress of ongoing projects, including of operational or financial impacts, due to a lack of complete, accurate and timely information being reported.

FINDING 1 - REPORTING TO THE RESOURCES COMMITTEE				
RECOMMENDATIONS	RESPONSIBLE ENTITY	ACTION OWNER	MANAGEMENT RESPONSE	COMPLETION DATE
<ol style="list-style-type: none"> We recommend that the impact assessment document is updated to include a section indicating ratification from the Finance Team. We recommend that a financial breakdown template is created that can be used to supplement the assessment template and act as a robust audit trail for the financial impact that the legislation is likely to have. We recommend that all figures being presented to the Resources Committee are sufficiently detailed and that they have support/ratification from the Finance Department so the Committee can be assured of their accuracy. 	Police Scotland	Chair of LRG (Superintendent Custody East and Policy) Finance Team	Accepted <ol style="list-style-type: none"> Fully agreed Finance are now represented at the LRG. We will allocate our Economic specialist to develop a costing model that can assist with the consistency and follow a similar approach we take to building business cases. This will take time to implement. This is the purpose of the LRG to QA and push back as necessary to leads. This will be better supported when finance can provide the template to leads. 	October 2024



DETAILED FINDINGS


RISK: Policies and procedures may not adequately document the key controls to be followed or may not be effectively communicated to staff.

FINDING 2 - PROCESS COVER NOTE AND GUIDANCE				TYPE
<p>There should be sufficiently detailed and comprehensive documentation in place to reflect, and provide detail around, the current expected practices to govern and control new legislation effectively.</p> <p>While it is noted that there is a process map in place for the new legislation process, there is currently no formally documented guidance detailed process note to accompany the process map which outlines the purpose of the process and risks of not following it, provides guidance for staff to follow, details high-level roles and responsibilities and reporting/oversight arrangements, and provides guidance for assessing the cumulative impact of new legislation.</p>				DESIGN 
IMPLICATION				SIGNIFICANCE
<p>There is a risk that key stakeholders may be unaware of the new legislation processes as well as the key controls in place. This could result in inefficiencies and inconsistency in the application of the new procedures and processes.</p> <p>Staff may be unaware of how to find information on the new legislation process, for example responsibilities when addressing new legislation.</p>				MEDIUM
RECOMMENDATIONS	RESPONSIBLE ENTITY	ACTION OWNER	MANAGEMENT RESPONSE	COMPLETION DATE
<ol style="list-style-type: none"> The new legislation processes map should be supplemented by a further guidance or process note, outlining the purpose of the process and risks of not following it, provides guidance for staff to follow, details high-level roles and responsibilities and reporting/oversight arrangements, and provides guidance for assessing the cumulative impact of new legislation. This should then be communicated to relevant members of staff, along with the process map. 	Police Scotland	Chair of LRG (Superintendent Custody East and Policy)	Accepted <ol style="list-style-type: none"> Fully agreed Fully agreed 	October 2024



DETAILED FINDINGS

RISK: Policies and procedures may not adequately document the key controls to be followed or may not be effectively communicated to staff.

FINDING 3- PROCESS MAPS	TYPE
<p>The process maps provided for the new legislation process should paint the full picture of the process from end-to-end with clear indications of systems, workflows, roles, and responsibilities.</p> <p>There are several areas in which the maps could be improved to provide a more complete and accurate reflection of the new legislation Process. Those are:</p> <ul style="list-style-type: none"> • Inclusion of the platform in which Scottish Government provide or notify publications. • A new step for receipt of publications or notifications from Scottish government. • How the impact review decision is made. • To reflect that if no impact review is to take place that this decision is logged within the tracker before the publication is discarded. • Inclusion of a step to register the piece of new legislation on the tracker. • Inclusion of information relating to who facilitates the requirements workshop. • Inclusion of information relating to how responsibility is assigned for preparing project bids, stipulating the lines between the LRG and how responsibility flows into the Change Board. • Clarification of who is responsible for preparing implementation plans • Inclusion of any ongoing reporting to LRG for medium and high impact pieces of legislation. • Step by step decision's relating to reporting to SLB or SPA 	<p>DESIGN</p> 
IMPLICATION	SIGNIFICANCE
<p>There is a risk that users of the process maps may not be able to accurately follow the defined new legislation process and, as a result, may not effectively assess the impact of and plan implementation of a new piece of legislation.</p>	<p>MEDIUM</p>



DETAILED FINDINGS


RISK: Policies and procedures may not adequately document the key controls to be followed or may not be effectively communicated to staff.

FINDING 3 - PROCESS MAPS				
RECOMMENDATIONS	RESPONSIBLE ENTITY	ACTION OWNER	MANAGEMENT RESPONSE	COMPLETION DATE
<p>1. We recommended that several areas of the maps be improved to provide a more complete and accurate reflection of the new legislation processes. These are:</p> <ul style="list-style-type: none"> • Inclusion of the platform in which Scottish Government provide or notify publications. • A new step for receipt or notification of publications from Scottish government. • How the impact review decision is made. • To reflect that if no impact review is to take place that this decision is logged within the tracker before the publication is discarded. • Inclusion of a step to register the piece of new legislation on the tracker. • Inclusion of information relating to who facilitates the requirements workshop. • Inclusion of information relating to how responsibility is assigned for preparing project bids, stipulating the lines between the LRG and how responsibility flows into the Change Board. • Clarification of who is responsible for preparing implementation plans • Inclusion of any ongoing reporting to LRG for medium and high impact pieces of legislation. • Step by step decision's relating to reporting to SLB or SPA 	Police Scotland	Chair of LRG (Superintendent Custody East and Policy)	<p>This will be addressed by Finding 2 above.</p> <p>The process map is intended to be high level (as is the process itself). Further detail will be provided in the guidance document which accompanies it. The process map will form part of the review in March and will be updated as considered necessary. The risk will be mitigated when the guidance document is complete which will guide users on the full process - as per Finding 2 above.</p> <p>BDO is satisfied that the responses / proposed actions appropriately mitigates the risk to an acceptable level and will verify actions taken for Finding 2 as part of Follow-up audits.</p>	October 2024



DETAILED FINDINGS


RISK: Capacity of staff who may be required to be involved in the new legislation process may not be adequately assessed at a sufficiently early stage of the process, or, robust plans may not be in place to address any resource issues which have been identified as part of assessments.

FINDING 4 - STAFF CAPACITY ASSESSMENTS				TYPE
<p>The Legislation assessment process should include an assessment of the capacity, or additional people resource required to implement a piece of new legislation.</p> <p>The current legislation assessment template does not include a way of assessing the people resources needed or whether there is available capacity to implement a piece of new legislation.</p> <p>It should be noted that, at the time of auditing, there were no examples of the impact assessment template being used, therefore our assessment it based solely on the design of the template.</p>				EFFECTIVENESS 
IMPLICATION				SIGNIFICANCE
There is a risk that, if the capacity of staff involved in the new legislation process is not adequately assessed, or additional resource requirement assessed, there will be insufficient resource available to implement the piece of new legislation received in a sufficiently detailed and timely manner.				MEDIUM
RECOMMENDATIONS	RESPONSIBLE ENTITY	ACTION OWNER	MANAGEMENT RESPONSE	COMPLETION DATE
1. The new legislation Impact Assessment template should be updated to include a detailed assessment of people resourcing requirements to implement a piece of new legislation.	Police Scotland	Chair of LRG (Superintendent Custody East and Policy)	Partially Accepted This is for the lead to complete as part of their ownership and assessment. The business areas are already doing this and holding this detailed information locally. The LRG only requires high level information and does not replace the existing processes that underpin the introduction of new legislation into Police Scotland. Responsibility for completing the detailed risk assessment will be included in the Guidance document being prepared but any staffing implications will be entirely dependent on the organisation's ability to resource. BDO is satisfied that the responses / proposed actions appropriately mitigates the risk to an acceptable level and will verify management responses as part of Follow-up audits.	October 2024



DETAILED FINDINGS

RISK: SPA and Police Scotland Management may not have effective oversight of the effectiveness of the new legislation process, or progress of ongoing projects, including of operational or financial impacts, due to a lack of complete, accurate and timely information being reported.

FINDING 5 - MAGAGEMENT OVERSITE				TYPE
<p>Meetings of the Legislation Review Group (LRG) should be formally recorded through minutes to provide a documented account of discussions had by members of the Group, decisions made, or actions assigned to specific members.</p> <p>At the first meeting of the LRG (23/11/2023) no minutes were taken, therefore there is no way of tracking the conversations that occurred or actions planned in the meeting.</p>				DESIGN 
IMPLICATION				SIGNIFICANCE
There is a risk that Police Scotland may not have sufficient oversight on the effectiveness of the new legislation process, or the progress of ongoing new legislation assessments.				MEDIUM
RECOMMENDATIONS	RESPONSIBLE ENTITY	ACTION OWNER	MANAGEMENT RESPONSE	COMPLETION DATE
1. It is recommended that minutes are taken for each meeting of the LRG to ensure that there is sufficient evidence and oversight of the subjects that were discussed, decisions made and actions recorded.	Police Scotland	Chair of LRG (Superintendent Custody East and Policy)	Partially Accepted Capacity and capability is an issue with minute takers. In keeping with practice across Police Scotland, we keep action and decision logs for meetings at this level and this has been implemented for the LRG. BDO is satisfied that the responses / proposed actions appropriately mitigates the risk to an acceptable level and will verify management responses as part of Follow-up audits.	October 2024

OBSERVATIONS



OBSERVATIONS

- ▶ **Changes in Scope or Impacts of new legislation** - In theory, the LRG reviewing potential changes in the scope or impacts of new legislation as it passes through Parliament is an effective approach, however, we cannot evidence this in operation as there are no examples of this process occurring and an absence of minutes from LRG meetings.

APPENDICES



APPENDIX I: DEFINITIONS

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
SUBSTANTIAL	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
MODERATE	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
LIMITED	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
NO	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE

HIGH	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
MEDIUM	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
LOW	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.
ADVISORY	A weakness that does not have a risk impact or consequence but has been raised to highlight areas of inefficiencies or potential best practice improvements.



APPENDIX II: TERMS OF REFERENCE

EXTRACT FROM TERMS OF REFERENCE

PURPOSE

The purpose of this review is to provide management and the Audit, Risk and Assurance Committee with assurance over the design and operational effectiveness (where applicable) of the controls in place surrounding the new legislation process. We will also provide recommendations for improvements, where applicable, to the new process for implementing new legislation and legislative change.

KEY RISKS

1. Policies and procedures may not adequately document the key controls to be followed or may not be effectively communicated to staff.
2. Roles and responsibilities of those involved in the new legislation process may not be clearly defined, documented, or understood.
3. The consultation framework for assessing new legislation may not adequately assess the potential impact on the organisation, nor establish adequate controls relative to the level of impact and risk identified, or assessments may not be completed in a timely manner.
4. The consultation framework for assessing new legislation may not be suitably agile to respond to potential changes in the scope or impacts of new legislation as it passes through Parliament.
5. Capacity of staff who may be required to be involved in the new legislation process may not be adequately assessed at a sufficiently early stage of the process, or, robust plans may not be in place to address any resource issues which have been identified as part of assessments.
6. Internal and/or external stakeholders may not be aware of the new process and in particular the requirement for new legislation to flow through the single point of contact, leading to process inefficiencies or the detriment of consultation quality.
7. The new legislation process may not improve over time due to the lack of a formal lessons learned process and therefore improvement actions are not identified and implemented in good time.
8. SPA and Police Scotland Management may not have effective oversight of the effectiveness of the new legislation process, or progress of ongoing projects, including of operational or financial impacts, due to a lack of complete, accurate and timely information being reported.

APPROACH

Our approach will be to conduct interviews and documentation review to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described.



APPENDIX III: STAFF INTERVIEWED

BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.

SCOTTISH POLICE AUTHORITY

Head of Change & Operational Scrutiny	Audit Sponsor
---------------------------------------	---------------

POLICE SCOTLAND

ACC Criminal Justice	Audit Sponsor
----------------------	---------------

Chief Inspector Partnerships and Policy	Audit Lead
---	------------



APPENDIX IV: LIMITATIONS AND RESPONSIBILITIES

MANAGEMENT RESPONSIBILITIES

The Audit & Risk Assurance Committee (ARAC) of the Scottish Police Authority is responsible for determining the scope of internal audit work, and for deciding the action to be taken on the outcome of our findings from our work. ARAC is also responsible for ensuring the internal audit function has:

- The support of the management team.
- Direct access and freedom to report to senior management, including the Chair of the ARAC

The Board is responsible for the establishment and proper operation of a system of internal control, including proper accounting records and other management information suitable for running the organisation.

Internal controls covers the whole system of controls, financial and otherwise, established by the Board in order to carry on the business of the organisation in an orderly and efficient manner, ensure adherence to management policies, safeguard the assets and secure as far as possible the completeness and accuracy of the records. The individual components of an internal control system are known as 'controls' or 'internal controls'.

The Board is responsible for risk management in the organisation, and for deciding the action to be taken on the outcome of any findings from our work. The identification of risks and the strategies put in place to deal with identified risks remain the sole responsibility of the Board.

LIMITATIONS

The scope of the review is limited to the areas documented under Appendix II - Terms of reference. All other areas are considered outside of the scope of this review.

Our work is inherently limited by the honest representation of those interviewed as part of colleagues interviewed as part of the review. Our work and conclusion is subject to sampling risk, which means that our work may not be representative of the full population.

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness may not be relevant to future periods due to the risk that: the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or the degree of compliance with policies and procedures may deteriorate.

FOR MORE INFORMATION:

CLAIRE ROBERTSON, HEAD OF DIGITAL,
RISK AND ADVISORY SERVICES, SCOTLAND

0141 249 5206
claire.robertson@bdo.co.uk

Freedom of Information

In the event you are required to disclose any information contained in this report by virtue of the Freedom of Information Act 2000 (“the Act”), you must notify BDO LLP promptly prior to any disclosure. You agree to pay due regard to any representations which BDO LLP makes in connection with such disclosure, and you shall apply any relevant exemptions which may exist under the Act. If, following consultation with BDO LLP, you disclose this report in whole or in part, you shall ensure that any disclaimer which BDO LLP has included, or may subsequently wish to include, is reproduced in full in any copies.]

Disclaimer

This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad statements only. This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication without obtaining specific professional advice. Please contact BDO LLP to discuss these matters in the context of your particular circumstances. BDO LLP, its partners, employees and agents do not accept or assume any responsibility or duty of care in respect of any use of or reliance on this publication, and will deny any liability for any loss arising from any action taken or not taken or decision made by anyone in reliance on this publication or any part of it. Any use of this publication or reliance on it for any purpose or in any context is therefore at your own risk, without any right of recourse against BDO LLP or any of its partners, employees or agents.

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO member firms.

BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms.

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

Copyright © 2024 BDO LLP. All rights reserved. Published in the UK.

www.bdo.co.uk