



# **Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies**

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## **Internal Audit Annual Report**

**2016/17**

# Internal Audit Annual Report

## INTRODUCTION

This is the 2016/17 Internal Audit Annual Report by TIAA on the internal control environment at the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies. The annual internal audit report summarises the outcomes of the reviews we have carried out on the organisation’s framework of governance, risk management and control. This report is designed to assist management in making its annual governance statement.

### HEAD OF INTERNAL AUDIT’S ANNUAL OPINION

**TIAA is satisfied that, for the areas reviewed during the year, the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies have reasonable and effective risk management, control and governance processes in place. Also, there was evidence to support the achievement of value for money with regard to economy, efficiency or effectiveness of the systems reviewed. This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability which must be obtained by the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies from its various sources of assurance.**

## INTERNAL AUDIT PLANNED COVERAGE AND OUTPUT

The 2016/17 Annual Audit Plan approved by the Audit Committee was for 399 days of internal audit coverage in the year (69 days were carried forward from 2015/16). During the year there were four changes to the Audit Plan and these changes were approved by the Audit Committee.

All the planned work has been carried out and the reports have been issued (Annex A).

There was no work carried out which was in addition to the work set out in the Annual Audit Plan.

## ASSURANCE

TIAA carried out 25 reviews, which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. Details of these are provided in Annex A and B, a summary is set out below.

Assurance Assessments	Number of Reviews	Previous Year
Substantial Assurance	8	7
Reasonable Assurance	12	11
Limited Assurance	5	3
No Assurance	0	0

The areas on which the assurance assessments have been provided can only provide reasonable and not absolute assurance against misstatement or loss and their effectiveness is reduced if the internal audit recommendations made during the year have not been fully implemented.

We made the following total number of recommendations on our audit work carried out in 2016/17. The full details of these are included in Annex C.

Year	Urgent	Important	Routine
2016/17	2	54	36
2015/16	3	50	27

### AUDIT SUMMARY

**Control weaknesses:** There were five areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited' or 'no assurance'. Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations had been accepted.

**Recommendations Made:** We have analysed our findings/recommendations by risk area and these are summarised below.

Risk Area	Urgent	Important	Routine
Directed	0	28	16
Compliance	2	24	18
Operational	0	2	2
Reputational	0	0	0

**Operational Effectiveness Opportunities:** One of the roles of internal audit is to add value and during the financial year we provided advice on opportunities to enhance the operational effectiveness of the areas reviewed and the number of these opportunities is summarised below.

Year	Operational	No of Audits
2016/17	24	25
2015/16	25	21

### INDEPENDENCE AND OBJECTIVITY OF INTERNAL AUDIT

There were no limitations or restrictions placed on the internal audit service which impaired either the independence or objectivity of the service provided.

### PERFORMANCE AND QUALITY ASSURANCE

The following Performance Targets were used to measure the performance of internal audit in delivering the Annual Plan.

Performance Measure	Target	Attained
Completion of Planned Audits	100%	100%
Audits Completed in Time Allocation	100%	100%
Final report issued within 10 working days of receipt of responses	95%	96%
Compliance with Public Sector Internal Audit Standards	100%	100%

Ongoing quality assurance work was carried out throughout the year and we continue to comply with ISO 9001 standards. An independent external review was carried out of our compliance of the Public Sector Internal Audit Standards (PSIAS) in 2016 and in particular to meet the requirement of an independent five year review, the outcome confirmed full compliance with all the standards. Our work also complies with the IIA-UK Professional Standards.

**RELEASE OF REPORT**

The table below sets out the history of this Annual Report.

Date Report issued:	2nd June 2017
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## Annexes

### Annex A

#### Actual against planned Internal Audit Work 2016/17

System	Type	Planned Days	Actual Days	Audit Committee Reporting	Assurance Assessment	Comments
Transport Services	Assurance	15	15	September 2016	Reasonable	
Corporate Communications / Social Media	Assurance	12	18	September 2016	Reasonable	Social media aspects covered, days moved from ICT Network / Social Media
ICT – Network / Social Media	Assurance	12	-	n/a	n/a	Social Media aspects moved to Corporate Communications due to areas now within the same management responsibilities. Remaining days to contingency.
HR Recruitment	Assurance	12	12	December 2016	Limited	
Duty Management System	Assurance	15	15	December 2016	Limited	
Fol / DP / Document Security	Assurance	15	15	September 2016	Reasonable	
ICT – Firewall	Assurance	12	12	September 2016	Substantial	
Firearms Certificates	Assurance	12	12	December 2016	Substantial	
Estates – Facilities (Catering – Suffolk)	Assurance	6	6	December 2016	Limited	
ICT – Disaster Recovery	Assurance	12	12	September 2016	Reasonable	
Purchase Cards (Norfolk only)	Assurance	6	6	March 2017	Limited	
Purchase Cards (Suffolk only)	Assurance	6	6	March 2017	Reasonable	
Assurance Framework, Governance – Across both Constabularies	Assurance	22	--	--	--	Changes in risk management arrangements, with new Risk Manager affecting assurance framework. Audit cancelled.
Risk Management Strategy and Risk Management Mitigating Controls	Assurance	25	--	--	--	Changes in risk management arrangements, with new Risk Manager affecting assurance framework. Audit cancelled.
Risk Management (Norfolk PCC)	Assurance	-	9	March 2017	Substantial	Focus changed to risk management arrangements in place at each PCC.

## Internal Audit Annual Report

System	Type	Planned Days	Actual Days	Audit Committee Reporting	Assurance Assessment	Comments
Risk Management (Suffolk PCC)	Assurance	-	9	March 2017	Substantial	Focus changed to risk management arrangements in place at each PCC.
Overtime, Expenses and Additional Payments	Assurance	16	16	March 2017	Reasonable	
Budgetary Control	Assurance	12	12	December 2016	Substantial	
Pensions Administration	Assurance	10	10	March 2017	Reasonable	
HR – Strategy & Workforce Planning	Assurance	10	10	March 2017	Limited	
Payroll	Assurance	10	10	March 2017	Reasonable	
ICT – Exchange 2010 / Email Archiving	Assurance	12	12	March 2017	Substantial	
Performance Management	Assurance	15	15	June 2017	Substantial	
Complaints	Assurance	10	10	June 2017	Substantial	
Collaborations	Assurance	10	10	June 2017	Reasonable	
ICT – ERP Second / Third Line Support	Assurance	12	12	June 2017	Reasonable	
Key Financial Controls	Assurance	30	30	June 2017	Reasonable	
Estates – Duty of Care / Cost Allocations	Assurance	12	--	--	--	Audit cancelled
Estates – Maintenance and Repair	Assurance	12	--	--	--	Replaced with health and safety audit
Estates – Health and Safety	Assurance	--	12	June 2017	Reasonable	
Commissioners Grants (Norfolk only)	Assurance	10	1	--	--	Audit commenced, then postponed until October 2017
Follow Up Work	2 / 4	10	10			Reporting: year-end June / in-year December
Audit Management	1-4	20	20			
Possible Local Counter Fraud Work		6	-			Not required
Contingency b/fwd		(69)	(69)			
Contingency c/fwd			62			
	<b>Total Days</b>	<b>330</b>	<b>330</b>			

**Assurance Assessments 2016/17**

System	Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance
Transport Services		Reasonable		
Corporate Communications / Social Media		Reasonable		
HR Recruitment			Limited	
Duty Management System			Limited	
FoI / DP / Document Security		Reasonable		
ICT – Firewall	Substantial			
Firearms Certificates	Substantial			
Estates – Facilities (Catering – Suffolk)			Limited	
ICT – Disaster Recovery		Reasonable		
Purchase Cards (Norfolk only)			Limited	
Purchase Cards (Suffolk only)		Reasonable		
Risk Management (Norfolk PCC)	Substantial			
Risk Management (Suffolk PCC)	Substantial			
Overtime, Expenses and Additional Payments		Reasonable		
Budgetary Control	Substantial			
Pensions Administration		Reasonable		
HR – Strategy & Workforce Planning			Limited	
Payroll		Reasonable		
ICT – Exchange 2010 / Email Archiving	Substantial			
Performance Management	Substantial			
Complaints	Substantial			
Collaborations		Reasonable		
ICT – ERP Second / Third Line Support		Reasonable		

System	Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance
Key Financial Controls		Reasonable		
Estates – Health and Safety		Reasonable		
<b>Total</b>	<b>8</b>	<b>11</b>	<b>5</b>	<b>N/A</b>



**Recommendations 2016/17**

System	Priority 1 Urgent	Priority 2 Important	Priority 3 Routine	OEM
Transport Services	0	4	2	0
Corporate Communications / Social Media	0	4	3	5
HR Recruitment	0	6	0	2
Duty Management System	0	8	2	0
FoI / DP / Document Security	0	0	8	2
ICT – Firewall	0	0	0	0
Firearms Certificates	0	0	1	3
Estates – Facilities (Catering – Suffolk)	0	4	7	3
ICT – Disaster Recovery	0	4	1	1
Purchase Cards (Norfolk only)	1	5	0	1
Purchase Cards (Suffolk only)	0	2	0	0
Risk Management (Norfolk PCC)	0	0	5	1
Risk Management (Suffolk PCC)	0	0	0	0
Overtime, Expenses and Additional Payments	0	3	0	2
Budgetary Control	0	0	2	0
Pensions Administration	0	1	0	1
HR – Strategy & Workforce Planning	1	2	0	1
Payroll	0	1	1	2
ICT – Exchange 2010 / Email Archiving	0	0	1	0
Performance Management	0	1	1	0
Complaints	0	0	1	0
Collaborations	0	2	0	0
ICT – ERP Second / Third Line Support	0	1	1	2

System	Priority 1 Urgent	Priority 2 Important	Priority 3 Routine	OEM
Key Financial Controls	0	3	0	1
Estates – Health and Safety	0	2	1	1
<b>Total</b>	<b>2</b>	<b>53</b>	<b>37</b>	<b>28</b>