

RECOMMENDATIONS	MANAGEMENT RESPONSE AND ACTION PLAN	ACTION TAKEN	ACTIONED BY	MONITORED BY	TARGET COMPLETION BY
<p>Internal Audit Recommendation 1: Point 23, Page 6 (Budget Setting-Approach)</p> <p>The budget-setting process should incorporate:</p> <p>1.1 Stakeholder input to ensure alignment with operational requirements;</p> <p>1.2 Clear linkage with the Medium Term Financial Plan and Workforce Plan;</p> <p>1.3 Local arrangements for scrutiny;</p> <p>1.4 Retention of documentation to reflect key elements of the process e.g. meetings between Finance Business Partners and budget holders and working papers to support budget calculations.</p>	<p><i>Responsibility: Director of Finance</i> <i>Target Implementation Date: 31st March 2019</i></p> <p><i>The Medium Term Financial Plan is currently being developed with regular involvement of and weekly challenge from the Corporation. This detailed work will form the basis of the annual budget for 2019/20. Between September and March there will be regular meetings between Finance Business Partners and Budget Holders with an agenda agreed by the Finance Director. All actions will be recorded centrally by the Finance Directors PA. In order to build trust and confidence and develop an informal day to day financial relationship with the Corporation of London financial officials to compliment and underpin the formal relationships that already exist within Governance. This should aim to promote a greater level of financial transparency and openness on both sides. The Work started with the new Police Committee Head of Finance needs to continue at a strategic level cascaded further through the respective teams in both organisations.</i></p>	<p>BUDGET SETTING</p> <p>Work has been carried out to develop the MTFP with the Head of Police Authority Finance in the Corporation. This work has broken down forensically the MTFP which allows a high degree of assurance in the basis of the composition of MTFP. The work was carried out with COLP Senior Finance Business Partner being embedded within the Finance Team in the Corporation and a regular Monday meeting with COLP Finance Director and Head of Police Authority Finance Finance. Business Partners have regular meetings with budget holders against a structured agenda developed by the Interim Finance Director. The budget setting process will happen in the last two weeks of January and the first two weeks February after the Police budget has been agreed. This work will build on the business intelligence collected as part of the regular Finance Business Partner meetings and develop appropriate budgets for all areas of the Force.</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance</p>	<p>Director of Finance</p> <p>Director of Finance at weekly Finance Ops Meetings. By Commissioner and Assistant Commissioner at SMB</p>	<p>31st March 2019</p> <p>31st March 2019</p>
<p>Internal Audit Recommendation 2: Point 24, Page 7 (Budget Setting-Timetable)</p> <p>Consideration should be given to the development of a CoLP Budget Setting timetable for local activities to be undertaken prior to formal budget submission to the City, to ensure that all interested parties are made aware of their responsibilities in this respect.</p>	<p><i>Responsibility: Director of Finance</i> <i>Target Implementation Date: 31st December 2018</i></p> <p><i>The timetable will be pulled together and dates checked with the Corporation to ensure congruence with their requirements. This needs to include a clear link to the Governance requirements that need to be established clearly by the Corporation as to what reporting requirements will be.</i></p>	<p>This is a work in progress and is forming part of a wider annual Finance Department Timetable which will include all key dates and deadlines for Force and Coproration requirements.</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance</p>	<p>Director of Finance</p> <p>Director of Finance. Progress against timetable will be monitored by Deputy Director of Finance</p>	<p>31st March 2019</p> <p>31st March 2019</p>
<p>Internal Audit Recommendation 3: Point 27, Page 8 (Budget Setting-Guidance to Finance Staff)</p> <p>CoLP should produce documented procedures to support key financial administration processes such as AP and AR processing, ensuring that these are made available to all relevant staff.</p>	<p><i>Responsibility: Director of Finance</i> <i>Target Implementation Date: 31st March 2019</i></p> <p><i>i) Admin Finance team will draw together internal processes notes which will be checked with the Corporation Procurement team to ensure they meet with system and process guidelines. Force wide communications will also be issued to ensure all members of the Force are clear on the purchase to pay process.</i></p> <p><i>ii) Court Funds process notes are being prepared by the Supervisor in that team which will allow clarity for people involved in that process.</i></p>	<p>Process notes are being developed and a number of SOP's have already been updated. Process notes have also been developed around the application for and the use of Corporate Credit Cards which will be published to the Force shortly</p> <p>Process notes for Court Fund processes have been developed for the operational work and the reconciliations. From January reconciliations will be carried out full time by one member of staff.</p>	<p>Deputy Director of Finance</p> <p>Head of Admin. Finance</p>	<p>Director of Finance</p> <p>Director of Finance</p>	<p>31st March 2019</p> <p>31st March 2019</p>
<p>Internal Audit Recommendation 4: Point 30, Page 9 (Income-Accounts Receivable)</p> <p>CoLP should formalise the process for identification of income due, supported by reconciliations to amounts invoiced, to help ensure that all necessary income is recovered.</p>	<p><i>Responsibility: Senior Finance Business Partner</i> <i>Target Implementation Date: 31st December 2018</i></p> <p><i>As part of the Medium Term Financial Plan a full list of income is being prepared. This will be used as the basis for identifying when income is due and recovered.</i></p>	<p>Business Partners are working with the business areas to ensure that all income strands are identified, particularly for mutual aid operations. A file is being retained and links developed with the planning of operations to ensure Finance Business Partners are engaged at the earliest opportunity. We have also developed a grants log which tracks all the anticipated grant income due to the Force.</p>	<p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance</p>	<p>31st March 2019</p> <p>31st March 2019</p>

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<p>Internal Audit Recommendation 5: Point 34, Page 10 (Income-Accounts Receivable) CoLP should ensure that:</p> <p>5.1 The aged debtor report is reviewed to confirm the status of debt, identification of amounts for write-off and determination of the potential impact on the accounts in terms of bad debt provision.</p> <p>5.2 On an ongoing basis, debt management arrangements should incorporate the following: maintenance of local records to facilitate monitoring of aged debt and recovery action taken, to include evidence of regular review and details of write-off submissions to CoL.</p>	<p><i>Responsibility: Director of Finance Target Implementation Date: 31st December 2018</i></p> <p><i>This is now a standing item on the weekly Finance Operational Meeting and the aged debtors report will be reviewed regularly by the Finance Director who will hold Finance Business Partners accountable for invoices in their business areas.</i></p>	<p>Tackling Income Debt, Aged Debtors and Debt provision and debt write-off</p> <p>This is now a standing item on the weekly Finance Operational Meeting and the aged debtors report is reviewed regularly by the Finance Business Partners accountable for invoices in their business areas.</p>	<p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance through running weekly aged debtors reports and summarising progress to Finance Director at weekly Finance Ops Meeting</p> <p>Deputy Director of Finance through running weekly aged debtors reports and summarising progress to Finance Director at weekly Finance Ops Meeting. Debt Recover performance to be a standing agenda item on Strategic Finance Board</p>	<p>31st December 2018</p> <p>31st December 2018</p> <p>31st December 2018</p>
<p>Internal Audit Recommendation 6: Point 36, Page 12 (Payments-Accounts Payable) All goods/services to be procured by CoLP staff should be requested by the individual requiring the goods/services.</p>	<p><i>Responsibility: Deputy Director of Finance Target Implementation Date: 31st December 2018</i></p> <p><i>This will be communicated to the Force to ensure clarity of the process.</i></p>	<p>Requestors for Goods & Services should be actioned by person needing the</p> <p>This is now being done and improvements have been made. There are a significant number of budget holders in the Force which is being reviewed as this will reduce the number of requisitions. The backlog in requisitions ran to about 8 months in June 2018 which is now running at 3 months.</p>	<p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance</p>	<p>31st March 2019</p> <p>31st March 2019</p>
<p>Internal Audit Recommendation 7: Point 41, Page 13 (Payments-Accounts Payable) CoLP should:</p> <p>7.1 Review the AP management information reports in order to identify and take action to clear any processing backlog.</p> <p>7.2 Ensure that management information reports are reviewed on a regular, monthly basis and appropriate action taken to improve performance so that corporate targets are met.</p>	<p><i>Responsibility: Director of Finance Target Implementation Date: 31st March 2019</i></p> <p><i>The Management Information Packs are a regular agenda item on the weekly Finance Team Meeting. Finance Business Partners are held to account for the performance in their business areas around outstanding requisitions and expected receipts.</i></p>	<p>Review AP Reports</p> <p>Creditor reports are a standing item on the weekly team meeting and also a regular agenda item on the business partner meetings with business areas. Progress has been made, there are however still occasional invoiceing issues attributable to the goods receipting process.</p>	<p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance through running weekly accounts payable reports and summarising progress to Finance Director at weekly Finance Ops Meeting. Accounts Payable performance to be a standing agenda item on Strategic Finance Board</p> <p>Deputy Director of Finance</p>	<p>31st March 2019</p> <p>31st March 2019</p> <p>31st March 2019</p>
<p>Internal Audit Recommendation 8: Point 43, Page 14 (Payments-Accounts Payable) All CoLP procurement should be in line with the corporate Procurement Code, including adequate operational planning to eradicate procurement breaches.</p>	<p><i>Responsibility: Director of Finance Target Implementation Date: 31st March 2019</i></p> <p><i>Finance Business Partners will work with business areas and Corporation Procurement to develop sourcing plans for financial year 2019/20 which will allow for appropriate planning which will reduce procurement breaches.</i></p>	<p>Adherence to Procurement Code</p> <p>Finance Business Partners will work on sourcing plans with business areas in January and February which will be fed into the Corporation Procurement Team.</p>	<p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance to coordinate production of sourcing plans with business areas and then submit to Corporation Procurement Team</p>	<p>31st March 2019</p> <p>31st March 2019</p>
<p>Internal Audit Recommendation 9: Point 47, Page 16 (General Ledger-Dashboard) The potential for introduction of a finance dashboard, providing a high-level overview of the monthly management accounts, should be investigated by CoLP in conjunction with the Chamberlain's Financial Services Decision.</p>	<p><i>Responsibility: Director of Finance Target Implementation Date: 31st March 2019</i></p> <p><i>Work has already started on improving management information provided to budget holders. This work will be developed further with the corporation to see if a dashboard can be developed through the Corporations Oracle platform.</i></p>	<p>Introduction of a Finance Dashboard</p> <p>Work has already started on improving management information provided to budget holders. This work will be developed further with the corporation to see if a dashboard can be developed through the Corporations Oracle platform.</p>	<p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p>	<p>Deputy Director of Finance</p> <p>Deputy Director of Finance</p>	<p>31st March 2019</p> <p>31st March 2019</p>

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<p>Internal Audit Recommendation 10: Point 48, Page 16 (General Ledger-Monitoring) Key actions arising from monthly budget monitoring meetings should be recorded to facilitate follow-up.</p> <p>Internal Audit Recommendation 11: Point 50, Page 17 (Monitoring) Budget monitoring processes should identify necessary actions to reduce the risk of funded units being subsidised by core operations; key points to be reflected in the monthly monitoring records.</p> <p>Internal Audit Recommendation 12: Point 52, Page 18 (Monitoring-Variations) Variance analysis should be undertaken on a monthly basis and evidence retained. Where any significant variances are identified, these should be sent to the Assistant Director of Finance for review and remedial action taken as appropriate.</p> <p>Internal Audit Recommendation 13: Point 55, Page 19 (Reporting) All financial reporting deadlines, for example in respect of budget-setting, in-year monitoring, and outturn reports, should be met to facilitate appropriate oversight.</p>	<p><i>Responsibility: Director of Finance Target Implementation Date: 31st December 2018 Finance Business Partners and Budget Holders meet regularly with an agenda agreed by the Finance Director. All actions will be recorded centrally by the Finance Directors PA.</i></p> <p><i>Responsibility: Senior Finance Business Partner Target Implementation Date: 31st March 2019 It is important to note that a lot of funded units are carrying out core policing functions and the funding reduces the burden on core funding. As part of the budget setting process funded units will be clearly broken down to illustrate what resources are included as part of the funding. This will then allow Business Partners to clearly monitor the budget to ensure that core resources are not used and the budget monitoring narrative will reflect this.</i></p> <p><i>Responsibility: Deputy Director of Finance Target Implementation Date: 31st March 2019 As part of the budget monitoring process monthly variance analysis and narrative will be undertaken and reviewed. This will then be centrally, electronically recorded.</i></p> <p><i>Responsibility: Deputy Director of Finance Target Implementation Date: 31st March 2019 An annual timetable will be prepared and dates clearly outlined. The performance against these dates will be monitored and recorded.</i></p>	<p>Recording Meetings with Budget Holders</p> <p>Finance Business Partners and Budget Holders meet regularly with an agenda agreed by the Finance Director. All actions will be recorded centrally by the Finance Directors PA</p> <p>This is done as part of the management information review in the budget holder meetings.</p> <p>Monthly Variance analysis should be retained as evidence and reviewed by senior managers</p> <p>As part of the budget monitoring process monthly variance analysis and narrative is undertaken and reviewed. This is also supplemented by narrative reporting as well as just providing figures.</p> <p>Adherence to Reporting Deadlines</p> <p>This is a work in progress and is forming part of a wider annual Finance Department Timetable which will include all key dates and deadlines for Force and Corporation requirements.</p>	<p>Finance Business Partners</p> <p>Finance Business Partners & PA to Finance Director</p> <p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p> <p>Senior Finance Business Partner</p>	<p>Senior Finance Business Partner</p> <p>Deputy Director of Finance</p> <p>Deputy Director of Finance</p> <p>Deputy Director of Finance to develop budget loading product that clearly outlines the core budget and the funded units budget so that budget holders are clear how much they have to spend in each area. Finance Business partners to be responsible for ensuring the appropriate level of funding is received in a timely manner from partners.</p> <p>Deputy Director of Finance</p> <p>Deputy Director of Finance to ensure that narrative reports are prepared and submitted to budget holders and held electronically in a central easily accessible filing system.</p> <p>Deputy Director of Finance</p> <p>Deputy Director of Finance to ensure that the timetable is closely monitored. Timetable will be a standing agenda item on Finance ops meeting.</p>	<p>31st December 2018</p> <p>31st December 2018</p> <p>31st March 2019</p> <p>31st March 2019</p> <p>31st March 2019</p> <p>31st March 2019</p> <p>31st March 2019</p> <p>31st March 2019</p>

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