

Committee(s)	Dated:
Resource Risk and Estates (Police) Committee	20 May 2024
Subject: Internal Audit Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	N/A
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Head of Internal Audit	For Information
Report author: Matt Lock	

Summary

This report provides an update on Internal Audit activity comprising recently completed work, work in progress and the future programme of Audit work. One Audit review was completed during this period resulting in a Moderate Assurance opinion. The only open Internal Audit recommendations relate to the recently completed review, these are not yet due for implementation.

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. This report provides an update on the work of Internal Audit and intended future coverage.

Work Completed

Police Income – Cost Recovery and Collection

2. The focus of the audit was obtaining assurance that:
 - i. The Income Strategy in place aligns with strategic objectives and is communicated effectively to all relevant officers and Members.
 - ii. There are effective arrangements in place for relevant monitoring and reporting to members and senior management.
 - iii. The associated internal control environment supports the Income Strategy in meeting its stated objectives regarding maximise income generation and adoption of full economic cost recovery.
 - iv. Income is collected in full and on a timely basis.
3. Owing to capacity constraints within the Police Finance team, the Audit was delivered in two parts, covering i and ii above, with the remaining aspects of the Audit to be delivered at a later time.

4. Overall, moderate assurance was provided. Opportunities have been identified to improve demonstration of alignment with strategic objectives and to strengthen arrangements in respect of monitoring to Members and senior management. The key findings are:
 - The Strategy was approved by Members in February 2023 and there is an expectation of annual review. The next iteration is understood to be in development for presentation to Members in May 2024.
 - Aside from a high-level reference to the Policing Plan, the Strategy does not cross reference or link explicitly to relevant strategic objectives.
 - The Strategy is clearly articulated, and Internal Audit confirmed timely communication of the Strategy to members of Resources, Risk and Estates Committee and the Police Authority Board, and to officers via the Strategic Finance Board.
 - Members receive regular detailed updates on income collection via quarterly revenue and capital monitoring reports.
 - The SFB remit includes income collection and there are related standing agenda headings, but limited evidence was available within SFB minutes to demonstrate the detail of relevant senior management monitoring.
 - Members receive regular updates on cost recovery, predominantly via RREC. There is scope to strengthen oversight through more detailed reporting.
 - Updates in respect of cost recovery are provided at reasonable intervals to SFB but overall, these lack key elements of project delivery detail.

Work in Progress

5. Police Employees: After a delayed start, fieldwork for this Audit is now in progress, the findings of the review will be reported in the next update to this Committee.
6. Police Accommodation Programme (oversight, delivery and completeness): This Audit has been initiated, with objectives and scope defined although halted at the early stages of detailed assignment planning. Views from colleagues in both the City of London Corporation Major Programmes Office and the City of London Police challenged the basis for the audit. Discussion with Force Chief Officers confirmed the rationale for the audit and this will now be reinitiated.

Forward Programme of Work

7. The proposed forward programme of Internal Audit work for the City of London Police for 2024/25 includes the following:
 - Information and Data Handling
 - Risk Management
 - Workforce Planning

Corporate & Strategic Implications

8. Internal Audit work is designed to provide assurance as to the adequacy of the City of London Police system of internal control and governance arrangements.

Conclusion

9. Members should note the report.

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