

Committee:	Date:
Performance and Resource Management sub (Police) Committee	24 February 2016
Subject: Internal Audit Update Report	Public
Report of: Head of Internal Audit and Risk Management	For Information

Summary

The purpose of this report is to provide the Committee with an update on the work of Internal Audit that has been undertaken for the City of London Police (CoLP) since the last report to the committee in December 2015.

Work on the 2015-16 planned internal audit plan, which includes eight full reviews and two grant claim verifications, is nearing completion. Since the last committee we have agreed to delete the IT Governance Arrangements review. This is due to the City of London Police no longer being responsible for the management of IT, which has been transferred to the central City of London IT team and an IT Contract Management review is scheduled in the corporate 2016-17 internal audit plan. The Action Awareness Team review has also been replaced with Use of Fuel Cards as a result of a management request. One report has been finalised since the last committee. This is in respect of a request from management to verify an EU Grant for the "Cross Border Bribery Task Force".

The Internal Audit Plan for 2016-17 has been approved by the Audit and Risk Management Committee and is included for comment and suggestions for any changes or additions to the proposed plan. There are seven full reviews of the City Police included within the plan.

Recommendation

- That this report is noted.

Internal Audit Work 2015-16 (Appendix 1)

1. Work on the 2015-16 planned internal audit work, which includes ten full reviews, is nearing completion. An additional grant claim verification has been completed at the request of management in respect of EU funding for the "Cross Border Bribery Task Force". Three reports have been finalised. Management comments are due in respect of two draft reports (Interim Follow Up of PBX Resilience and Disaster

Recovery, and Invoices on Hold). One further review has recently been completed to Draft Report stage on Police Supplies and Services. Fieldwork is being undertaken for the three remaining reviews (Use of Procurement Cards, Police Officer's Allowances and Ad Hoc Payments, and Use of Fuel Cards).

2. Members are asked to note that there have been some revisions to the 2015-16 plan due to emerging issues and requests for additional work made by the Commissioner's staff. The following changes to the 2015-16 plan have been made since the last update report to this committee:

- Police Action Awareness Team has been replaced with Police Officers' Use of Fuel Cards.
- Police IT Governance and Oversight of Outsourcing has been deleted and will be replaced by corporate work on cyber security. The planned review of Police IT Governance and Oversight of Outsourcing has also been deleted. As a result of initial research, Internal Audit has established that responsibility for managing the Agilisys contract now lies centrally within the City of London IT team and at a high level with the Transition Board, which will cover CoLP specific requirements. A corporate review of the general contract management of Agilisys is scheduled early in next year's 2016-17 internal audit plan for the entire City of London.

EU Grant Verification "Cross Border Bribery Task Force"

3. Testing proved satisfactory with supporting evidence in place for all transactions verified. Adequate financial management was observed, ensuring that all transactions are correctly accounted for under the cost centre credited for this project. No recommendations were made.

Internal Audit Planned Work 2016-17

4. The draft Internal Audit Plan for 2016-17 and the three year strategy has now been approved by the Audit and Risk Management Committee. There are seven full reviews of the City Police included within the plan.

5. The detailed work plan for City Police audit reviews in 2016-17 is as follows:

Title of Review
Standard Operating Procedures
Budget Monitoring
International Fraud Academy
Community Consultation
Grants Audits
Governance Framework
Income Streams and Generation

6. The three year strategy 2016-17 to 2018-19 is as follows:

Audit Title	2016-17	2017-18	2018-19
Standard Operating Procedures	✓		
Budget Monitoring	✓		
International Fraud Academy	✓		
Community Consultation	✓		
Grant Audits	✓		
Governance Framework	✓		
Income Streams and Generation	✓		
IT Network Security		✓	
Technology Refresh Project		✓	
Business Continuity inc. IT		✓	
Demand Policing and Event Resourcing		✓	
Accommodation Review			✓

Corporate Reviews (Appendix 2)

7. Members have requested that they are kept informed of reviews undertaken by Internal Audit of a corporate nature, which demonstrate an overall level of audit coverage, given the limited level of resources available for City Police audit reviews. There are six Corporate reviews (Procurement, Petty Cash, Cash Income Collection and Banking, Expenses, Pre Contract Appraisals and Liquidations) included within the Internal Audit Plan 2015-16 which relate to the City Police. A further review within the Chamberlain's Internal Audit Plan reviews (Main Accounting System), also has a bearing on the Force's internal control environment. The overall conclusions and assurance rating for each of these reviews, together with details of recommendations, both corporate and specific to the Force, will be reported to this committee in due course.

Conclusion

8. The 2015-16 audit plan is nearing completion and on schedule to be completed by 31 March 2016. A schedule of planned internal audit work for 2016-17 has been determined and agreed with City of London and City of London Police management, which is presented for comment.

Appendices

Appendix 1 – Audit plan progress report for 2015-16

Appendix 2 – Corporate Internal Audit Reviews 2015-2016

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