

Internal Audit Plan: 2018/19

Officer of the Police and Crime Commissioner for Cheshire / Cheshire
Constabulary

Executive Summary

Your Risk Assessment

A strong risk assessment underpins the Internal Audit Plan. We have clearly set out the risks which have been prioritised within the audit plan and those which are not.

Your Internal Audit Plan

Your internal audit plan includes core assurances, consideration of national and local risk areas, your Police and Crime Plan, Strategic Risk Register and management requests. Your fees for 2018/19 are £31,783.

Your Team

Your team will be led by Steve Connor, Engagement Lead and Kevin Lloyd, Engagement Manager. We can confirm sufficient resources, including specialist expertise have been established to delivery your plan.

2. Your risk assessment

Your Proposed Internal Audit Plan is built from your strategic risk assessment. We have highlighted below the reviews prioritised within your internal audit plan for 2018/19 following our risk assessment; the remaining areas will be kept under review.



3. Your internal audit plan

Planning Approach

- Risk Assessment of the external environment, system and organisation (including the Strategic Risk Register and Police and Crime Plan).
- Engagement of Senior Management of the OPCC and Constabulary and Audit Advisory Committee to influence the plan.
- Use of MIAA's client risk database to inform planning.
- Coverage of Critical Business Systems to support organisation's objectives through the strategic internal audit plan.
- Provision of sufficient resources and expertise.
- Compliance with Public Sector Internal Audit Standards.

Your Plan

Governance, Risk and Legality

Assurance on the processes around the identification and management of vulnerabilities for people held in custody.

Finance & Resources

To provide assurance on the procedures and controls relating to Oracle Fusion. Data analytics will underpin your financial systems assurance providing whole population coverage. We will also support you in your involvement in the National Fraud Initiative.

Performance

Assurance on the framework which supports the use and security of mobile devices.

Operational Compliance

Assurance on the the the identification, recording and management of cash under the Proceeds of Crime Act, rephased from your 2017/18 internal audit plan. We will also review the arrangements in place around compliance with the Victim Code of Practice requirements and the Constabulary's policy for Traumatic Incident Stress Management.

Follow up and Contingency

Follow Up, Contingency

Outcomes

Head of Internal Audit Opinion to inform the AGS

Assignment assurance levels

The use of data analytics in a range of ways in how we gather, analyse and present data.

Insight driven dynamic reporting through tools such as heat maps and infographics.

Recommendations, advice, and guidance to enhance the control environment

Insights through briefings.

3. Your internal audit plan

Review	Rationale / Objective	Planned Delivery / Days	Chief Officer Lead
Combined Financial Systems: Oracle Fusion / Annual	<p>Mandated Review Oracle Fusion will go live from October 2018. The review (potentially two phased – Pre and Post Implementation) will provide support / assurance that key controls within the new system are effectively designed and operating as expected. The specific areas of focus will be risk assessed and agreed with management.</p>	Q3-4 12 Days	ACO
National Fraud Initiative / Biannual	<p>Management Request The Cabinet Office provides the National Fraud Initiative (NFI) through powers under Part 6 of the Local Audit and Accountability Act 2014 to conduct data matching exercises to assist in the prevention and detection of fraud and error. This programme has been in existence now for over 20 years and has successfully identified over £1.39bn of fraud and error within the Public Sector. In the 2014/15 exercise fraud, overpayments and error amounting to £222m have been identified and prevented across the UK.</p> <p>The NFI continues to play an important role in protecting the public purse against fraud and is as important as ever with the true cost of fraud, estimated between £20billion and £40billion a year. The task of identifying fraud and error is continuous, to ensure funds and resources are allocated to the many honest deserving families in need.</p> <p>The overall objective will be to review the data reports provided by the Cabinet Office and to investigate any identified discrepancies by providing a reason for the match and, where required, make the appropriate changes.</p>	To Be Agreed 4 Days	ACO

3. Your internal audit plan

Review / Frequency	Rationale / Objective	Planned Delivery / Days	Chief Officer Lead
Mobile Data Governance / Ad Hoc	<p>Audit Risk Assessment</p> <p>The use of mobile computing in its different forms is ever increasing and whilst some manifestations, such as the use of laptops, have fairly mature security and centralised support mechanisms, the latest options are more challenging in this regard. IPADs and other tablets, for instance, while undoubtedly providing significant benefits in terms of mobility and functionality, do not necessarily integrate easily with all aspects of established security, asset management and technical support frameworks.</p> <p>The control of mobile media also continues to pose challenges to Services and data breaches continue to be reported in the press. In addition, the Information Commissioner's reaction to breaches is becoming more robust with a potential for fines and Services need to ensure they have established and continue to maintain effective controls in these areas. Therefore senior management within the Service recognised the importance of appropriate controls in this area and commissioned this review. The objective of the review will be to provide an assessment of the risks associated with mobile computing, and media, as they apply to the Constabulary and OPCC and the effectiveness of the control framework established by management to mitigate those risks which primarily relate to security.</p>	To Be Agreed 10 Days	ACO
Victim Code of Practice / Ad Hoc	<p>Police and Crime Plan</p> <p>The Code of Practice for Victims of Crime forms a key part of the wider Government strategy to transform the criminal justice system by putting victims first, making the system more responsive and easier to navigate. Victims of crime should be treated in a respectful, sensitive and professional manner without discrimination of any kind. They should receive appropriate support to help them, as far as possible, to cope and recover and be protected from re-victimisation. The code of practice governs the services to be provided in England and Wales by organizations in the criminal justice system.</p> <p>Cheshire CARES (Cope and Recovery Enhanced Service) is the Commissioner's dedicated service providing free support to all victims of crime in Cheshire based on the individuals' needs. Cheshire CARES is operated by the Constabulary from the PCCs funding from the Ministry of Justice for victim services and restorative justice.</p> <p>The objective of this review will be to assess the arrangements in place to ensure compliance with this Code.</p>	To Be Agreed 12 Days	DCC / OPCC

The Internal Audit Risk assessment and plan will be reviewed on an ongoing basis throughout the year and any requests for change discussed and approved via the Audit Committee. A formal 6 month review of the plan will also take place.

3. Your internal audit plan

Review / Frequency	Rationale / Objective	Planned Delivery / Days	Chief Officer Lead
Traumatic Incident Stress Management Ad Hoc	<p>Audit Risk Assessment</p> <p>The Constabulary has a policy in place entitled Traumatic Incident and Stress Management which highlights a Traumatic incident as: -</p> <p><i>“an event/incident outside the usual realm of human experience that would be very distressing to anyone who experienced it”.</i></p> <p>In the policy the Constabulary recognises that members of staff will face risks regarding post-traumatic stress. It is committed to valuing its staff and ensuring that it meets its “Duty of Care” to the health, safety and welfare of its members of staff. The traumatic incident stress management programme is designed to prepare staff for potential exposure to traumatic stressors and, post incident, to manage the harmful effects of such exposure. The stressors can relate to a single incident or repeated exposure to similar incidents.</p> <p>The review will provide assurance that the key elements within this policy are being complied with to support officers and staff in this regard.</p>	To Be Agreed 12 Days	ACO
Custody: Identification of Vulnerabilities / Ad Hoc	<p>Audit Risk Assessment</p> <p>When an officer makes an arrest, they are personally responsible for the risk assessment and welfare of the detained person. This responsibility continues until the suspect is handed over to the custody officer for a decision regarding detention. Risk assessment means assessing the risk and potential risk that each detainee presents to themselves, staff, other detainees and other people coming into the custody suite. The dynamic nature of the incident and the process of arrest may have a bearing on the assessment which, by its very nature, is likely to be continuous and needs to respond to changing situational requirements. It may be impractical for this assessment to be written, but must be documented at the earliest opportunity.</p> <p>Assessment must be ongoing and be reviewed throughout the period of detention. The risk that a detainee may pose to themselves and others may alter when a detainee is charged, refused bail or released on bail. The custody officer must, therefore, review the risk assessment at these stages and prior to release or transfer.</p> <p>The APP provides details of the sources of information which should be considered to assess the welfare of the arrested person, and a number of questions which should be asked. Officers and staff must record all information regarding risks to the detainee in the custody record. The custody officer must be informed of identified risks or changing circumstances that may lead to additional risk and ensure that those risks are documented and managed.</p> <p>The review will assess compliance with these key requirements.</p>	To Be Agreed 12 Days	ACC Investigations

Review / Frequency	Rationale / Objective	Planned Delivery / Days	Chief Officer Lead
Call off Days / Ad Hoc	Management Request Can be used to provide assurance / advisory support for new/emerging risks (Reviews requested by management to be approved through the PCC and CC and reported to the Audit Advisory Committee).	To Be Agreed 20 Days	PCC / CC
Follow Up / Annual	Public Sector Internal Audit Standards Requirement This will be conducted throughout the year to provide the Joint Audit Advisory Committee with assurance regarding management's implementation of agreed actions.	4 Days	Planning Performance and Risk Manager
Contingency / Ad Hoc	Public Sector Internal Audit Standards Requirement This element of the plan allows the flexibility to respond to management requests in order to meet specific client needs during the course of the financial year.	4 Days	PCC / CC
Planning Management / Reporting	Public Sector Internal Audit Standards Requirement Incorporating preparation and attendance at Joint Audit Advisory Committee; completion of risk assessment and planning; liaison with the client and organisation of the audit reviews. Key reports will be provided to support this, such as the Director of Audit Opinion and Annual Report, Annual Plan and Interim Update Reports.	10 Days	N/A
POCA (2017/18)	Rephased from 2017/18 The objective of this review is to evaluate the processes and controls in place for the receipt, recording, handling and depositing of POCA to ensure they are robust and in accordance with the Constabulary's cash seizure procedure. In addition, the review will provide assurance that these processes and internal controls are being complied with consistently.	9 Days	

109 Days

The Internal Audit Risk assessment and plan will be reviewed on an ongoing basis throughout the year and any requests for change discussed and approved by the Police and Crime Commissioner and Chief Constable in consultation with the Audit Advisory Committee. A formal 6 month review of the plan will also take place.


4. Your team


Your team is led by a designated engagement lead and engagement manager, who will bring together a highly qualified team and range of specialists to deliver your internal audit plan.



Steve Connor
Engagement Lead

Bringing strategic oversight and insights to you


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Kevin Lloyd
Engagement Manager

Providing operational management and delivery of your service

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Appendix A 3 Year Strategic Audit Plan

Your 3 year strategic audit plan is set out below.

2016/17

- Combined Financial Systems
- MFSS Payroll Implementation
- Procurement
- Crime Recording
- Cyber Security
- Use of Force: Recording
- Cheshire CARES
- Equality and Diversity: Recruitment
- Health and Safety

2017/18

- Combined Financial Systems
- Government Purchasing Cards
- Recruitment
- Absence Management
- Successful Interventions in Custody
- Vehicle Seizures
- Gifts and Hospitality

2018/19

- **Combined Financial Systems: Oracle Fusion**
- **National Fraud Initiative**
- **Custody: Identification of Vulnerabilities**
- **Mobile Data Governance**
- **Traumatic Incident Stress Management**
- **Victim Services**
- **POCA**