

FINANCE EXTERNAL AUDIT / INTERNAL AUDIT ACTION PLAN

Finance and Payroll Action Summary

| Recommendations | | Milestones | | | | | | |
|---|-------------|-------------|------------|-----|-----------|------------|----------------|----------------------------------|
| Area | No. | No. | Not Agreed | Red | Amber | Green | Green Complete | Timing of planned audits 2024/25 |
| Medium-term Financial Plans (MTFP) | 1 | 1 | | | 1 | | | Q2 - completed |
| General Ledger | 1 | 1 | | | | | 1 | |
| Budgetary Control | 4 | 4 | | | | | 4 | Q2 - completed |
| Payroll & Expenses (BCH) | | | | | | | | Q3 |
| Capital Programme | 4 | 4 | | | | 1 | 3 | |
| Payment & Creditors | 2 | 2 | | | | | 2 | |
| Cash, Bank Treasury | 5 | 5 | | | | | 5 | |
| Income and Debtors | | | | | | | | Q3 - completed |
| Targeted Fraud Risk | 2 | 2 | | | | | 2 | |
| Procurement | | | | | | | | |
| BCH Planning Process and Accounting Support | 2 | 2 | | | | 2 | | |
| Total | 21 | 21 | | | 1 | 3 | 17 | |
| Percentage complete | 100% | 100% | | | 5% | 14% | 81% | |

Area: Medium-term Financial Plans (MTFP)

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|--|---------------------------------|-----------------------------|---|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | We will consider introducing a lessons learnt assessment following the completion of the financial plan to inform future amendments. These will be documented. | Kirsty Toone Head of Finance | 31 st March 2025 | In Progress Review meeting carried out on 28/2. Action plan being developed. | | | |

Area: General Ledger

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|--|---------------------------------------|-----------------------------|--|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | A periodic review process will be introduced, whereby the current users of e-Financials are reviewed to ensure access is still required. This will include a quarterly email being sent to all users and line managers to confirm if access rights are valid and still relevant. | Elaine Fox, Acting Head of Finance | 31 st March 2024 | Complete Report obtained and internal review carried out on Cambs finance users; changes required sent to systems team. Plans in place to be reviewed quarterly. During July email will be sent to validate remaining users, this will be repeated quarterly by the finance systems team. January report received and being reviewed | | | |

Area: Budgetary Control

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|---|---|-----------------------------|--|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | We will create a standardised template for trial balance spreadsheets that includes a dedicated section for reconciliation documentation. Additionally, all future TB spreadsheets will comply with segregation of duties | Head of Finance / Principal Management Accountant | 31 st March 2025 | Completed Reconciliation sign off section added into the month end TB file which identifies who has completed the reconciliation of the spreadsheet back to the general ledger. In place and will be operated from 25-26 year onwards. | | | |
| 2 | We will establish a threshold for variances below £50k to be noted and addressed. This threshold will be variances that are larger than the lower of £10k or 3% of the overall budget | Head of Finance / Principal Management Accountant | 31 st March 2025 | Completed Finance Business Partners have been advised to update narratives on their budget monitoring templates in line with the agreed thresholds for variances. In place and currently in use. | | | |
| 3 | We will ensure that all virements are approved prior to the changes being actioned, with this confirmed in writing | Principal Management Accountant | Implemented | Completed Prior to the audit taking place we had already identified a handful of virements being processed following verbal approval from the budget holder. Correct process now embedded across all Finance Business Partners. | | | |
| 4 | We will approve and action virements by the closure of the next month end process, where reasonable | Principal Management Accountant | 31 st March 2025 | Completed Principal Management Accountant and Finance Business Partners have been advised to process budget virements in a timely manner following BH approval. In place. All virements are checked on a six monthly basis to review that these are completed in a timely manner. | | | |

Area: Capital Accounting & Fixed Assets

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|--|--|------------|---|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | The Constabulary will regularly review procedural guidance and documents will be updated to reflect the date of next review to ensure this is not missed. | Elaine Fox, Principal Financial Accountant | May 24 | Completed Written procedures already in place. To add review dates to all and keep versions separate. | | | |
| 2 | The Constabulary will conduct the following with regards to asset verification: <ul style="list-style-type: none"> Updating of written procedures to reflect the correct processes for each asset type. The introduction of a rolling verification plan for ICT and Plant and Equipment assets. A review of all assets regularly to ensure to those with one year or less useful life are extended where necessary. | Elaine Fox, Principal Financial Accountant | Jun 24 | Completed Verification process has been documented for all Fixed Assets to be done on a rolling basis | | | |
| 3 | The Constabulary will update the Combined Financial Regulations to ensure guidance is clear on disposal value and that this is adhered to. | Elaine Fox, Principal Financial Accountant | Jun 24 | Completed Completed Feb 25 and available on the intranet | | | |
| 4 | The Constabulary will ensure reconciliations are produced and subject to review in a timely manner. | Elaine Fox, Principal Financial Accountant | Jun 24 | Completed | | | |

Area: Payments and Creditors

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|---|--|------------|-------------------|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | <p>The Constabulary will consider verifying all new suppliers (namely bank details) via a telephone call using an independently sourced number, with details of the telephone call documented.</p> <p>Alternatively, another appropriate verification methodology will be used, for example, online banking.</p> <p>Procedure notes will be updated to reflect this.</p> <p>The Constabulary will also amend its internal new supplier form to include the requirement for the supplier's name to be input.</p> | Head of Finance and Principle Financial Accountant | Dec 2023 | Completed. | | | |

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|---|--|--|----------|------------------|--|
| 2 | <p>When processing supplier amendments, the Constabulary will ensure that:</p> <ul style="list-style-type: none"> • It consistently attaches evidence of supplier amendment requests to eFinancials • Amendments are accurately reflected in eFinancials <p>In line with best practice the Constabulary will also consider the following:</p> <ul style="list-style-type: none"> • Where applicable, asking suppliers to provide proof of their amended details on letterheaded paper • Independently verifying changes via phone call using details already retained on the system. Alternatively, Barclays Banking Access could be used for verification when amendments to bank details are requested. <p>Procedure notes will be updated to reflect any changes implemented.</p> | Head of Finance and Principle Financial Accountant | Dec 2023 | Completed | |
|---|--|--|----------|------------------|--|

Area: Cash, Bank and Treasury

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|--|--|------------|--|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | The Constabulary will draft procedure notes that cover the overarching cash income, receipting, and banking processes. Once drafted, these will be shared with staff who conduct the roles outlined. | Peter Coverdale, Technical Treasury Accountant | Nov 23 | Completed A number of processes are currently being reviewed and may require amendment | | | |
| 2 | The Constabulary will also review its suite of procedure documents that are out of date and ensure that their content remains fit for purpose. Where necessary, amendments will be made. | Peter Coverdale, Technical Treasury Accountant | Nov 23 | Completed Now working on updating for 24/25. | | | |
| 3 | The Constabulary will remind staff to send acknowledgements to senders of cash when it is received. Acknowledgements should also include the value of income received to provide the sender with further assurances. This requirement will also be documented in supporting procedure documents. | Peter Coverdale, Technical Treasury Accountant | Nov 23 | Completed. Additional note – actions taken to make annual reminder of these requirements. | | | |
| 4 | The Constabulary will also ensure that for each bundle of cash in property count sheets, totals are confirmed by two individuals and that this is recorded. | Peter Coverdale, Technical Treasury Accountant | Nov 23 | Completed Changes to property cash counting has removed Treasury from the process, however, there may be future instance where this is required. | | | |
| 5 | The Constabulary will train staff when documenting reconciliation variances to ensure that detailed explanations are recorded for these. | Peter Coverdale, Technical Treasury Accountant | Nov 23 | Completed Staff now understand and any unclear explanations will be dealt with at the time of reconciliation. | | | |

Area: Fraud

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|--|---------------------|-----------------------------|---|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | <p>The Force will implement targeted anti-fraud training as part of the induction process for all staff within Business Services to complete, as well as providing re-fresher training as part of the mandatory training cycle.</p> <p>Furthermore, anti-fraud E-training will be provided too other staff groups, across the Force as part of induction, as well as providing re-fresher training as part of the mandatory training cycle</p> | Jon Lee, CFO | 31 st March 2024 | <p>Completed</p> <p>Staff in key departments have undertaken an online anti-fraud training module provided by CIPFA.</p> <p>Work is progressing to identify a suitable e-training module to include as part of the mandatory induction training. Following investigation there is no such course that the College of Policing currently has available. Therefore, other options for a bespoke training package are being considered by the CFO and a commissioning request from LD has been submitted and an assessment of the costs to develop and maintain such a module is awaited. Learning Pool have confirmed that they can offer a package for 500-600 users for the Fraud Awareness and Fraud Prevention modules. PO to be raised and decision made regarding which individuals will be required to complete the training</p> <p>Testing has been completed, with a small adjustment to the package required. Expectation this will be live on iLearn by the end of the financial year (31st March 2025)</p> <p>Package made available from early April with those required to complete, notified.</p> | | | |

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|---|---|--|---------------------------|--|--|
| 2 | <p>The Forces Finance Department will obtain a list of officers and staff business interests from PSD and review these against accounts payable data.</p> <p>Where business interests that the Force trade with are highlighted, controls will be but in place to mitigate any potential risks.</p> | Elaine Fox, Acting Head of Finance | 31 st March 24 | <p>Complete</p> <p>PSD have provided a list the number of Business Interests held by type of business. This totals 595 separate interests of which 568 are low risk with the rest being medium (no high risk). All are now flagged on i-manager against the employee and visible to line managers.</p> <p>The business name is not held in a specific field so has taken longer to extract the data than expected – report now received. Analysis carried out within finance by end July 24.</p> <p>ACU creating a SharePoint form to capture business name to improve/ease process going forward</p> | |
|---|---|--|---------------------------|--|--|

Area: BCH Planning Process and Accounting Support

| Action No. | Recommendation Description and Source Document | Responsible Officer | Milestones | Progress to Date | Status | | |
|------------|---|------------------------------------|------------|---|--------|-------|-------|
| | | | | | Red | Amber | Green |
| 1 | <i>Quarterly Budget Reporting</i> Responsibilities for financial reporting within the Collaborated structure will be agreed | Heads of Finance within each Force | Dec-24 | Complete The BCH Finance Business Partner based in Cambridgeshire will take the lead on consolidating the quarterly report for JCOB | | | |
| 2 | <i>Accounting Support to JST</i> Additional finance checkpoint meetings are to be scheduled between Heads of Finance, JST and CFOs to ensure quarterly reporting to JCOB is discussed with the right stakeholders and the correct level of detail provided | Head of BCH JST | Sept-24 | Complete Monthly meetings have been scheduled between HoFs, JST and CFOs with the first meeting held in Oct-24 | | | |