



# POLICE AND CRIME COMMISSIONER FOR CAMBRIDGESHIRE

## Internal Audit Progress Report

27 October 2025

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To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

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## KEY MESSAGES

The internal audit plan for 2025/26 was approved by the Joint Audit Committee at the 1 May 2025 meeting. This report provides an update on progress against the plan and summarises the results of our work to date.



### **Internal Audit Plan 2025/26**

#### Cambridgeshire Only plan:

We have issued two final internal audit reports for the 2025/26 plan since the last meeting:

- Payments and Creditors.
- General Ledger.

Scoping has also progressed for the remaining audits in the plan.

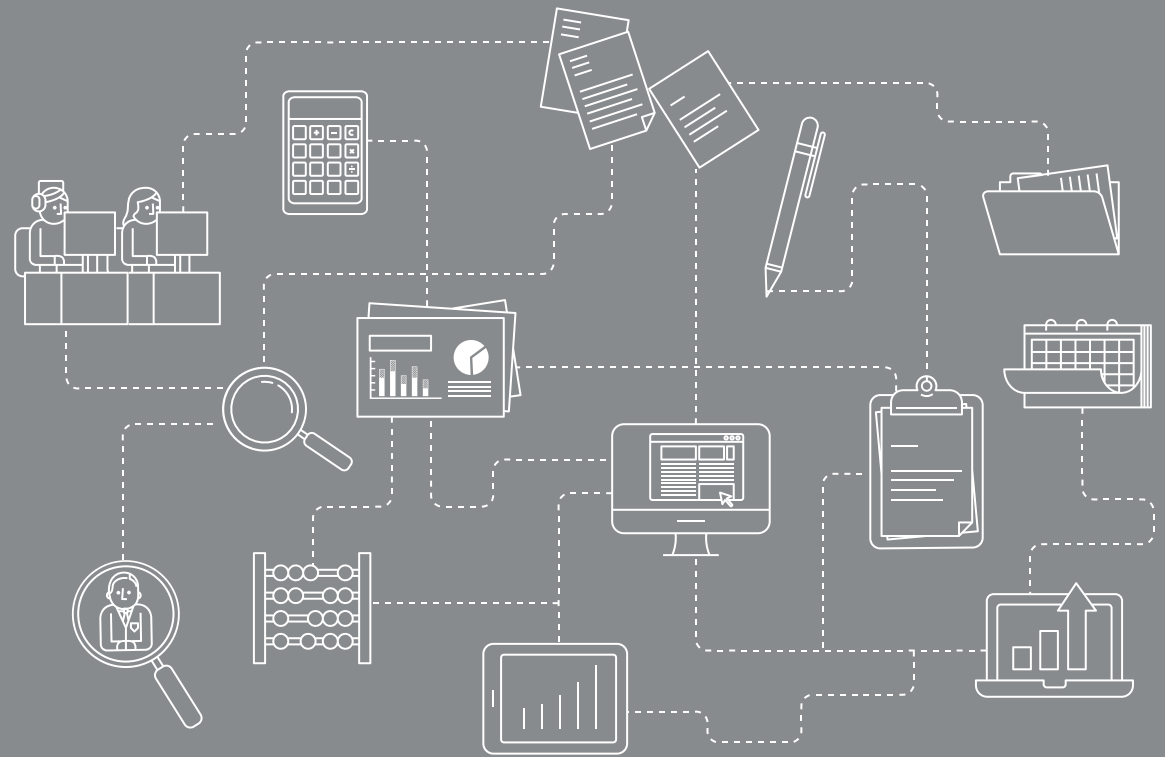
#### BCH plan:

- We have issued four scopes for the BCH plan since the last meeting, with fieldwork planned for Q3 and Q4 2025/26. The fieldwork has commenced for the Fraud Controls review.

Details of the progress made against the internal audit plans are included in Section One as well as a summary of opinions and actions to date.  
**[To discuss and note]**

# Final Reports

# 01



# 1. FINAL REPORTS 2025/26

## 1.1 Summary of progress to date – Cambridgeshire Only

This section summarises the reports that have been finalised since the last meeting in bold.

Assignment	Status / Opinion issued	Actions agreed			Target Timing (as per IA plan)
		L	M	H	
<b>Payments and Creditors</b>	<b>Final – Reasonable Assurance</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>Q2 2025/26</b>
<b>General Ledger</b>	<b>Final – Substantial Assurance</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>Q2 2025/26</b>
Fleet Management	Scope Agreed – January 2026	-	-	-	Q3 2025/26
Risk Management	Scoping – January 2026	-	-	-	Q4 2025/26
Follow Up	Scoping – February 2026	-	-	-	Q4 2025/26

## 1.2 Themes arising from control observations – Cambridgeshire Only

The table below identifies the themes arising from control observations for the 2025/26 internal audit plan, which will be tracked throughout the year. We do not have any specific concerns in respect of themes arising to raise with the JAC at this stage. Additional theme areas will be added as we progress throughout the year.

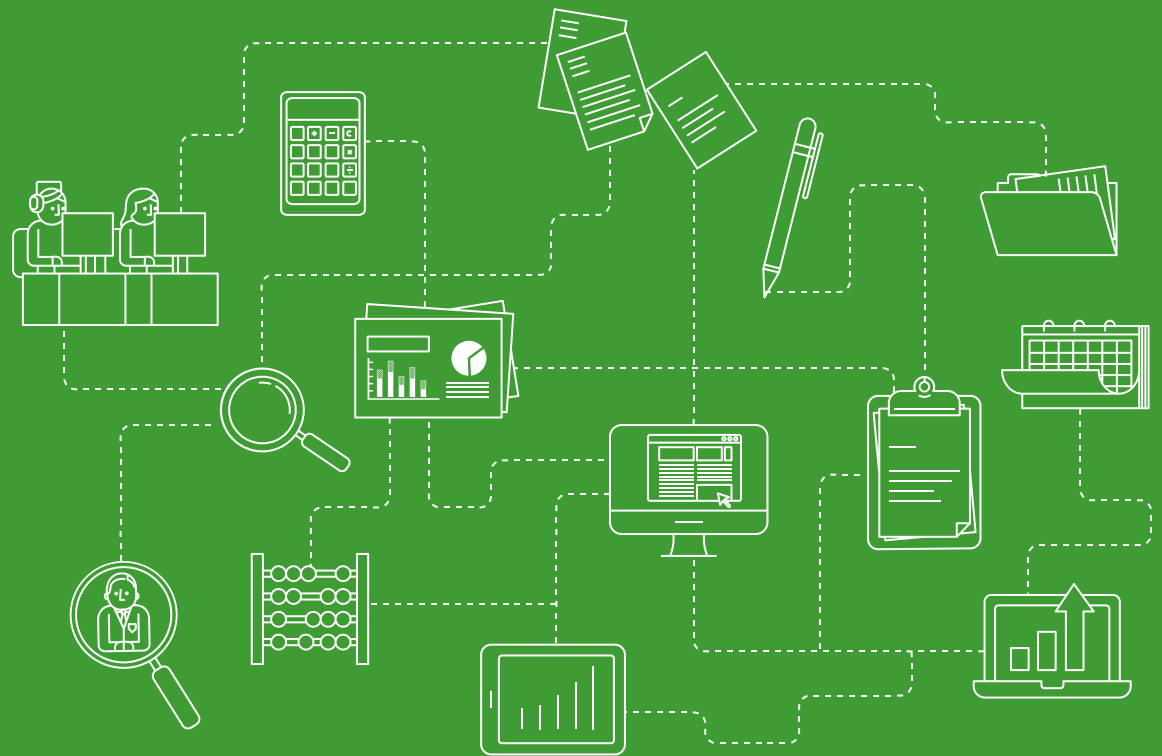
Theme	Low	Medium	High
Non-compliance with procedures	1	0	0
Policies and procedures	1	0	0
Design of the control framework	0	0	0
Record keeping	1	0	0
Information technology	0	1	0
Management Information	0	0	0
<b>Total</b>	<b>3</b>	<b>1</b>	<b>0</b>

### 1.3 Summary of progress to date – BCH

Assignment and Lead Force	Status / Opinion issued	Actions agreed			Target Timing (as per IA plan)
		L	M	H	
Fraud Controls – Cambridgeshire	Fieldwork Underway	-	-	-	Q2 2025/26
Cyber Security – Hertfordshire	Scope Issued – November 2025	-	-	-	Q3 2025/26
ERSOU Financial Management – Bedfordshire	Scope Issued – January 2026	-	-	-	Q2 2025/26
Business Continuity – Hertfordshire	Scope Issued – February 2026	-	-	-	Q3 2025/26
Corporate Review – Bedfordshire	Scoping – March 2026	-	-	-	Q4 2025/26

# Appendices

# 02



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## APPENDIX A: OTHER MATTERS

### Changes to the 2025/26 Internal Audit Plan

There have been no changes to the 2025/26 internal audit plan coverage since its agreement in May 2025.

Start timings for some audits that have been updated following scoping discussions, accommodating availabilities, and are referenced on pages five and six.

### 2025/26 Head of Internal Audit Opinions

Two reports have been finalised to date, both of which have resulted in positive assurance opinions, and will not therefore negatively impact the year end opinions. We will provide further updates as more reports are finalised, and we will also keep the Chief Finance Officers updated through our regular communications throughout the year.

### Quality assurance and continual improvement

To ensure that RSM remains compliant with the Global Internal Audit Standards in the UK Public Sector we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews are used to inform the training needs of our audit teams.

In addition to this, any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments is also taken into consideration to continually improve the service we provide and inform any training requirements.

### Added value work

We have issued the following client briefings since the last Joint Audit Committee:

- Emergency Services News Briefing (August 2025)
- Emergency services – Benchmarking of Internal Audit Findings 2024/25
- Emerging Risk Radar – Autumn 2025

## FOR FURTHER INFORMATION CONTACT



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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Police and Crime Commissioner for Cambridgeshire, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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# AUDIT OUTCOME OVERVIEW – PAYMENTS AND CREDITORS

**Background:** We undertook a review of Payments and Creditors as part of the 2025/26 internal audit plan. The purpose of the audit was to assess the design and application of controls in relation to the purchase ordering process, payments made, credit notes granted and changes to supplier details. Our work was supported by data analytics to identify potentially erroneous or non-compliant transactions and supplier information.





The Finance team utilise eFinancials as its main finance system and for the purchase ordering process. Additionally, the Finance Process Manager (FPM) system is used for the set up and amendment of supplier information. The Force has documented Financial Instructions and supplementary guidance documents to support the ordering goods and services, including delegated authority levels.

In the 12-month period to July 2025, the Force raised approximately £82m in purchase orders. As of August 2025, the Force had approximately 1,600 active suppliers.

**Conclusion:** Overall, we found the key controls surrounding payments and creditors functions to be generally well-designed and applied. Our analytics work and sample testing did not identify any exceptions in relation to duplicate payments and supplier bank details; or the use of POs and payments made to suppliers not on the master list. Sampled invoices accurately matched to purchase orders and goods were receipted prior to payment. Credit notes were accurately processed with segregation of duties and in line with the delegated authority. New suppliers were appropriately verified prior to set up on the finance system.

However, we noted system limitations within eFinancials and authorisations which were taking place outside of the system. Evidence was not consistently retained to demonstrate that supplier amendments were independently verified and the delegated authority for approving payment runs had not been documented.

**Internal audit opinion:**

			
<b>Minimal Assurance</b>	<b>Partial Assurance</b>	<b>Reasonable Assurance</b>	<b>Substantial Assurance</b>

Taking account of the issues identified, the OPCC and Force can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).

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**Audit themes: We identified the following control weaknesses resulting in the agreement of one medium and two low priority management actions:**

- **Information Technology (Purchase Ordering)** – Sample testing identified that POs were requested and approved by the same user within eFinancials, although they were supported with independent approvals outside of the system. Current practice also allows the PO Team within Finance to approve purchase orders on behalf of other users when advised by email, however, this approach was not formally agreed within a procedure. **(Medium)**
- **Record Keeping (Supplier Amendment Verification)** – Sample testing of supplier amendments identified that although verification checks were undertaken, evidence was not provided to demonstrate that amendments were independently verified via email prior to processing, which we were advised happens in practice. **(Low)**
- **Policies and Procedures (Payment Runs)** – Sample testing verified that payment runs were approved by the appropriate individuals (as advised verbally by Officers within the Force), however, the delegated authority to approve payment runs had not been documented. **(Low)**

**We noted the following controls to be adequately designed and operating effectively:**

- **Data Analytics (Invoices)** – We performed advanced analytics using Alteryx to complete the following tests, in each case, where potential exceptions were identified, these were reviewed with management and suitably explained with no risk identified:
  - Potential duplicate payments.
  - Invoices without a corresponding purchase order.
  - Purchase orders raised after the invoice.
  - Purchase orders that have been approved over individual delegated authority limits.
  - Purchase orders that may have been split to avoid individual delegated authority limits.
- **Data Analytics (Supplier Information)** – We performed advanced analytics using Alteryx to complete the following tests, in each case, where potential exceptions were identified, these were reviewed with management and suitably explained with no risk identified:
  - Payments made to suppliers not on the master list.
  - Suppliers with potentially duplicated bank details.
- **Policies and Procedures** – The Force Financial Instructions were approved by the CFO in July 2025 and made available on the Intranet. The document detailed the roles and responsibilities of key personnel, including budget holders, the CFO, and key groups such as the Force Executive Board. The Constabulary also had supplementary procedures relating to areas such as new suppliers set up and purchase order creation, which were also available on the Intranet.
- **Invoices** – For all sampled invoices, each was accurately matched to a purchase order and goods were receipted prior to payment.
- **Credit Notes** – Sampled credit notes raised were accurately matched to a purchase order and invoice where applicable, whilst each was suitably approved with segregation of duties and in line with the delegated authority.
- **New Suppliers** – For sampled new suppliers, we confirmed that the relevant information was provided to the Force prior to processing, this included internal verification from within the Force that the request was genuine. The Finance Systems Team undertook the required verification checks, such as online banking verification and VAT registration. We confirmed that the suppliers were accurately added onto the system and supplier master list.

# SUMMARY OF MANAGEMENT ACTIONS

The action priorities are defined as\*:

**High**

Immediate management attention is necessary.

**Medium**

Timely management attention is necessary.

**Low**

There is scope for enhancing control or improving efficiency.

Ref	Action	Priority	Responsible Owner	Date
1	<p>The Force will explore system changes that will reduce the reliance on approval activities taking place outside of the finance system.</p> <p>In the interim, the Force will ensure that current arrangements, allowing authorisation outside of the system, are documented within the Force Financial Instructions.</p>	Medium	Finance Supervisor	31 May 2026

# AUDIT OUTCOME OVERVIEW - GENERAL LEDGER

**Background:** We undertook a review of the General Ledger as part of the internal audit plan for 2025/26. The purpose of the audit was to assess whether the key controls in place to support management of the general ledger were appropriately designed and applied, including user access, chart of accounts, journals and reconciliation processes.

The Finance team utilise e-Financials as its main finance system including the general ledger. Systems related processes are actioned in collaboration with the Bedfordshire, Cambridgeshire, and Hertfordshire (BCH) Finance Systems Administrators Team, such as maintenance to the chart of accounts. Internal controls are set out within the Force Financial Instructions and other supporting procedures.

From April to September 2025, the Force posted a total of 553 general ledger journals to a value of £1.1m.

**Conclusion:** Overall, we found the control framework surrounding the general ledger to be well-designed and applied. Key guidance was up to date and available to staff including the Financial Regulations, Force Financial Instructions and user guides. Journals were suitably documented and approved, whilst no exceptions were identified through our data analytics testing of journals posted. Changes to the chart of accounts were suitably authorised and accurately processed. The finance system performed automated checks as part of the ledger closedown process to ensure that the general ledger balances and sub-ledgers reconciled, with the closedown process governed by a closedown timetable. Bank and suspense account reconciliations were suitably completed in a timely manner with an appropriate segregation of duties.

One low priority management action was agreed, in relation to the timeliness of leaver notifications to finance to ensure that access to systems is removed promptly.

**Internal audit opinion:**



Minimal Assurance



Partial Assurance



Reasonable Assurance



Substantial Assurance

Taking account of the issues identified, the OPCC and Force can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

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**Audit themes:** We identified the following control exception resulting in the agreement of one low priority management action.

- **Non-Compliance with Procedures (User Access)** – Although we found that the Force had identified and removed leavers access from the finance system, there was a delay in access being removed due to a lack of notification from line managers to finance. **(Low)**

We noted the following controls to be adequately designed and operating effectively.

- **Policies and Procedures** – The Combined Financial Regulations were up to date, approved and published on the OPCC website, the document detailed roles and responsibilities of key staff, such as the Constabulary's Chief Finance Officer, regarding the maintenance of accounting records and general ledger. The Force Financial Instructions were up to date, approved and made available on the Intranet. The Financial Instructions outlined detailed procedures including those relating to journals. The Constabulary also had supplementary procedures relating to the sections of general ledger, which were also available to key staff via the shared drive.
- **Chart of Accounts** – Changes to the Chart of Accounts are made through workflows within e-Financials. For sampled account codes and cost centre changes, we confirmed that in all instances a request had been made via the workflow, authorised by a BCH Accountant and subsequently actioned by the BCH Finance Systems Administrators Team.
- **Journals** – For sampled journals we confirmed that in all instances the journal was supported by adequate narratives and documentation, had been originated by an appropriate member of staff on e-Financials and had been approved by a separate member of staff in line with the automated workflows set up on the system.
- **Journals Data Analytics** – We performed data analytics on journals posted to complete the following tests, in each case, where potential exceptions were identified, these were reviewed with management and suitably explained with no residual risk identified:
  - Duplicate journals.
  - Journals approved without segregation of duties.
  - Journals posted on weekends.
  - Journals with no description or narrative.
- **Control Account Reconciliations** – The sales and purchase sub-ledgers reconciling to control accounts and the general ledger being in balance, are all pre-requisites to the general ledger and sub-ledgers being closed on e-Financials. As such there is no need for manual review of trial balances or manual reconciliation of sub-ledgers. Noting that purchase and sales ledgers are automatically reconciled monthly by e-Financials, which has been configured to reject non-zero balance reconciliations, we confirmed through review of the associated system-generated reports of e-Financials that the purchase and sales ledgers had been closed and they satisfied a zero-balance reconciliation. We confirmed through review of email correspondence that the sampled month-end timetables had been communicated to all e-Financials users for action.
- **Bank Reconciliation** – For sampled months we confirmed that bank reconciliations for each of the Force's four bank accounts had been reconciled. In each case, we noted that the account balance per the ledger had been appropriately reconciled to the balance per the bank statement which we reviewed, with narrative provided where required to support reconciling items, and the account balances used in the reconciliations agreeing back to source data. Each reconciliation was independently reviewed with segregation of duties and completed in a timely manner.

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- **Suspense Account Reconciliation** – The Force maintains a payroll suspense account; we confirmed that the suspense account was reviewed on a monthly basis with segregation of duties. We noted that there were some uncleared balances but evidence was in place to show that these had been reviewed and explained.