

Joint Audit Committee

29th April 2021

Responsible Officer:	Impact on Business:		Risk Register Reference & RAG
Jon Lee, CFO and Director of Resources	High		
	Medium	X	
	Low		
Lead Manager:	Report Type:		
Please see audit recommendations in the report	Governance	X	
	Strategic		
	Operational		
Previous papers to Committee:			

Report summary	<p>To update members on progress in addressing audit recommendations (high or medium) in the financial business areas.</p> <p>The recommendations may arise from external audit, internal audit or Her Majesty Inspectorate of Constabularies (HMIC)</p>			
Related Police and Crime Plan objective	Governance			
Action (tick one box only)	Information <input checked="" type="checkbox"/>	Assurance <input type="checkbox"/>	Approval <input type="checkbox"/>	Decision <input type="checkbox"/>
Recommendation	The Committee is asked to comment on and note the report			

FINANCE AUDIT RECOMMENDATIONS – PROGRESS REPORT

1. Purpose

1.1 This report provides details of progress in addressing audit recommendations (high or medium) in the financial business areas.

The recommendations may arise from external audit, internal audit or Her Majesty Inspectorate of Constabularies (HMIC)

2. Background

2.1 Monitoring of the recommendations from financial audit reports is undertaken by the Chief Finance Officer. Management responses are agreed with the Auditor and then monitored to ensure that they are dealt with within the timescales.

2.2 Financial activities are subject to a great deal of audit scrutiny during the year. The progressing of financial recommendations is critical to ensuring that the finance function operates effectively and also because the external auditor relies on the internal audit work in the context of the final accounts audit.

2.3 Recommendations are prioritised into high, medium or low importance by the auditor. To indicate the extent that actions are on target for completion, each recommendation is colour coded (Red/Amber/Green) according to the following definitions:

- Red – recommendation posing significant risk to the Constabulary
- Amber – progress with implementation slipped/over budget/over timescale. After 6 months at Amber with no discernible progress the recommendation is declared Red,
- Green – on going – action in progress in line with anticipated timescale.
- Green – complete – actions fully completed and implemented
- Blue – not agree and / or unable to pursue with reasons given i.e. unrealistic, impractical, too costly or out of date.

3. Current Status

3.1 One new audit has been completed, Payments and Creditors. There are 1 new action and 6 ongoing actions, all of these actions are green and 3 have been completed.

3.2 For the first time Procurement Internal Audits are included, 2 audits have been completed in this period. A follow up to the BCH Procurement Audit, which has a poor progression conclusion and actions with have been assigned to both BCH and 7 Force Procurement, and a 7 Procurement Audit, which has a reasonable assurance opinion.

3.3 There are 4 Actions owned by BCH CFOs, 1 red status and 3 at green status, with 1 complete. The red status action relates to the 3 quotations of purchases between £5k and £25k for non-contracted items being saved against the purchase orders. The delay on the recommendation at red has been the result of the move from the BCH procurement function to a 7 Force procurement function where it was expected that all tasks would transfer which has not been the case in all instances with under £50k compliance remaining with local forces, which is the matter now being addressed.

4. Recommendation

4.1 The Committee is recommended to

a) Note the report.