Police & Crime Commissioner for Lincolnshire & Lincolnshire Police

Internal Audit Progress Report

Presented to JIAC – 2nd March 2022

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Disclaimer

This report ("Report") was prepared by Mazars LLP at the request of the Lincolnshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Lincolnshire and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit the Lincolnshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Lincolnshire and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in Appendix A1 of this report for further information about responsibilities, limitations and confidentiality.

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01 Summary

The purpose of this report is to update the Joint Independent Audit Committee (JIAC) as to the progress in respect of the Operational Plan for the year ended 31st March 2021 and subsequently progress in respect of the Operational Plan for the year ending 31st March 2022, which was considered and approved by the JIAC at its meeting on 28th April 2021.

The Police and Crime Commissioner and Chief Constable are responsible for ensuring that the organisations have proper internal control and management systems in place. In order to do this, they must obtain assurance on the effectiveness of those systems throughout the year and are required to make a statement on the effectiveness of internal control within their annual report and financial statements.

Internal audit provides the Police and Crime Commissioner and Chief Constable with an independent and objective opinion on governance, risk management and internal control and their effectiveness in achieving the organisations' agreed objectives. Internal audit also has an independent and objective advisory role to help line managers improve governance, risk management and internal control. The work of internal audit, culminating in our annual opinion, forms a part of the OPCC and Forces' overall assurance framework and assists in preparing an informed statement on internal control.

Responsibility for a sound system of internal control rests with the Police and Crime Commissioner and Chief Constable and work performed by internal audit should not be relied upon to identify all weaknesses which exist or all improvements which may be made. Effective implementation of our recommendations makes an important contribution to the maintenance of reliable systems of internal control and governance.

Internal audit should not be relied upon to identify fraud or irregularity, although our procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control will not necessarily be an effective safeguard against collusive fraud.

Our work is delivered is accordance with the Public Sector Internal Audit Standards (PSIAS).

02 Current progress

2020/2021

Since the last meeting of the JIAC in November 2021, the remaining Collaboration Workforce Planning audit has been finalised. Please refer to Appendix 3 for full details.

2021/2022

Since the last meeting of the JIAC in November 2021 we have issued three final reports in regard to Partnerships, Complaints Management & Core Financials Please refer to Appendix 3 for full details. Moreover, the fieldwork for the Procurement, Contract Management and Future Services Programme is underway and the Seized Property audit has also begun. The remaining audit of Medium Term Financial planning is also scheduled to take place in March 2022 and therefore we remain on course to deliver the Lincolnshire Audits prior to the 31st March. We were also asked to complete a standalone procurement audit completed by our procurement specialists and this work is on-going, although we are awaiting further information to be provided.

However, it should be noted that the 20/21 deferred IT audits that were due to take place this year have not taken place. Audit & Management have engaged with the IT department to seek an agreement on the best time fo complete the audits as IT raised concerns that they did not have the capacity to host the audits. Currently IT have indicated that from July 2022 onwards they will be in a position to host the audits therefore these audits will be deferred into the 22/23 Internal Audit Plans.

One amendment to the Collaboration Audit Plan 21/22 has been made following agreement by the regional CFO's and that is in relation to the proposed audits of EMSOT (East Midlands Special Operations Training Unit). This unit is working towards disbandment by March 2023 and therefore it was agreed to amend the focus of the audit at this unit towards assurance on the project being followed up to this point. Therefore, regional CFO agreed to defer this audit into the 22/23 Plan and to re-adjust the focus of this audit.

In addition to this due to an unforeseen staffing change the three collaboration audits that were scheduled to take place in March 2022 – EMSOU Risk Management, EMSOU Business Continuity & EMCHRS L&D Governance have had to be rescheduled until May 2022. Through agreement with the CFO's to ensure that the 2021/22 Audit Annual Report is not unnecessarily delayed by the movement in these audits it has been agreed that these audits will be deferred into the 2022/23 Audit Plan.

Please see Appendix A4 for full details.

Summary of 2021/22 word to date:

Lincolnshire 2021/22 Audits	Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Wellbeing	Final	Limited	1	2	1	4
Partnerships	Final	Satisfactory		2	1	3
Complaints Management	Final	Satisfactory		1		1
Core Financials	Final	Significant		1	2	3
		Total	1	6	4	11

03 Performance

The following table details the Internal Audit Service performance for the year to date measured against the key performance indicators that were set out within Audit Charter.

Number	Indicator	Criteria	Performance
1	Annual report provided to the JIAC	As agreed with the Client Officer	N/A
2	Annual Operational and Strategic Plans to the JIAC	As agreed with the Client Officer	Achieved
3	Progress report to the JIAC	7 working days prior to meeting.	Achieved
4	Issue of draft report	Within 10 working days of completion of final exit meeting.	75% (3/4)
5	Issue of final report	Within 5 working days of agreement of responses.	100% (4/4)
6	Follow-up of priority one recommendations	90% within four months. 100% within six months.	N/A
7	Follow-up of other recommendations	100% within 12 months of date of final report.	N/A
8	Audit Brief to auditee	At least 10 working days prior to commencement of fieldwork.	100% (8/8)
9	Customer satisfaction (measured by survey) “Overall evaluation of the delivery, quality and usefulness of the audit” – Very Poor, Poor, Satisfactory, Good, Very Good.	85% average satisfactory or above	100% (3/3) 2x Good 1x Satisfactory

Performance 21/22

To provide the Committee with further clarity on the status of each audit within the plan below us a suggested further performance information for consideration:

Audit	Date of ToR	Start of Fieldwork	Days' Notice	Exit meeting	Draft Report	Time from Close to Draft Report (10)	Final Management Comments Received	Time to Receive Management Comments	Final Report Issued	Time Taken to issue Final (5)
Wellbeing	18-May-21	16-Aug-21	63	03-Sep-21	10-Sep-21	5	04-Oct-21	16	04-Oct-21	0
Partnerships	02-Aug-21	13-Sep-21	30	13-Oct-21	22-Oct-21	7	17-Dec-21	40	17-Dec-21	0
Complaints Management	19-Aug-21	11-Oct-21	37	02-Dec-21	20-Dec-21	18	19-Jan-22	19**	19-Jan-22	0
Core Financials	06-Oct-21	06-Dec-21	43	13-Jan-22	25-Jan-22	12**	16-Feb-22	16**	16-Feb-22	0
Procurement	14-Dec-22	19-Jan-22	36							
Contract Management	14-Dec-22	19-Jan-22	36							
Futures Services Programme	08-Nov-21	07-Feb-22	91							
Seized Property	31-Jan-22	16-Feb-22	16							

*Working Days

**Ongoing Comms during this period

A1 2021/22 Plan Overview

Audit area	Planned Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
Wellbeing	Aug 21	Sep 21	Oct 21	Nov 21	Final Report Issued
Partnerships	Sep 21	Oct 21		Mar 22	Final Report Issued
Complaints Management	Oct 21			Mar 22	Final Report Issued
Core Financials	Dec 21			Mar 22	Final Report Issued
Procurement	Jan 22			May 22	Draft Report to be issued shortly
Contract Management	Jan 22			May 22	Draft Report to be issued shortly
Future Services Programme	Feb 22			May 22	Fieldwork commenced w/ 7th Feb
Seized Property	Feb 22			May 22	Fieldwork commenced w/c 14th Feb
Medium Term Financial Planning	Mar 22			May 22	Scheduled to take place w/c 21st Mar
IT Governance	TBC			TBC	
IT Benefits Realisation	TBC			TBC	
Follow up audits	TBC			TBC	
Information Management	TBC			TBC	

A2 Reporting Definitions

Definitions of Assurance Levels		
Assurance Level	**Adequacy of system design**	**Effectiveness of operating controls**
Significant Assurance:	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
Satisfactory Assurance:	While there is a basically sound system of internal control, there are weaknesses which put some of the Organisation's objectives at risk.	There is evidence that the level of non-compliance with some of the control processes may put some of the Organisation's objectives at risk.
Limited Assurance:	Weaknesses in the system of internal controls are such as to put the Organisation's objectives at risk.	The level of non-compliance puts the Organisation's objectives at risk.
No Assurance:	Control processes are generally weak leaving the processes/systems open to significant error or abuse.	Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Recommendation Priority	Description
1 (Fundamental)	Recommendations represent fundamental control weaknesses, which expose the Organisation to a high degree of unnecessary risk.
2 (Significant)	Recommendations represent significant control weaknesses which expose the Organisation to a moderate degree of unnecessary risk.
3 (Housekeeping)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

A3 Summary of Reports 2020/21 & 2021/22

Below we provide brief outlines of the work carried out, a summary of our key findings raised, and the assurance opinions given in respect of the final reports issued since the last progress report in respect of the **2020/21 Internal Audit Plan:**

Collaboration: Workforce Planning

Overall Assurance Opinion	Satisfactory

Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	-
Priority 3 (Housekeeping)	2

Our audit considered the following risks relating to the area under review:

- Governance arrangements for Workforce Planning are clearly defined, including roles and responsibilities, risk management processes, decision making and reporting arrangements.
- The collaboration has controls in place to ensure resources are prioritised for the current level of demand for the unit and appropriate actions plans are put in place to reallocate resources as required.
- There are robust succession planning processes in place which identify and develop officers and staff and provide structured opportunities for secondments and promotions for employees who are prepared to assume these roles as they become available.
- Key roles are identified within the organisation and relevant succession plans are put in place to address these.
- There are robust monitoring processes in place to ensure that the Force has up to date and accurate Establishment data in place.
- The collaboration unit regularly undertakes skills analysis to identify any areas of concern, with appropriate action plans put in place to address them.
- The collaboration unit regularly analyses its existing workforce and have a variety of models in place that identify key risks across the workforce
- There is regular communication between the collaboration unit and the respective Forces in regard to any risks associated with the existing workforce and plans are put in place to mitigate the risk.

As part of this review, we have carried out an audit of the process in place across the region in respect of Workforce Planning within a sample of collaboration units agreed by the CFOs – East Midlands Special Operations Unit – Serious Organised Crime (EMSOU-SOC), East Midlands Special Operations Unit – Forensic Services (EMSOU FS) and East Midlands Collaborative Human Resources Service – Occupational Health Unit (EMCHRS-OHU).

The objectives of our audit were to evaluate the adequacy and effectiveness of the workforce planning system with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of the workforce planning process that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.

We raised two priority 3 recommendations of a housekeeping nature, which are detailed below.

Recommendation 1 (Housekeeping)	To prevent the negative impacts from late cancellation of cohorts on EMCHRS OHU workforce planning. • Communications between the Force's and OHU should be improved. • Where OHU have to deal with last minute changes, a lesson learned review should take place to prevent reoccurrence.
Finding	During discussions regarding demand planning in the Occupation Health Unit, it was noted that the unit regularly receives notification of cancelled and/or delayed cohorts, notification of new cohorts and receives required information for processing and appointments within short timescales. This impacts the ability of the Unit to properly profile upcoming demand on the Unit and the ensure an appropriate level of resource is in place and allocated in response. Additionally, it can cause an over reliance on bank staff to fill peaks in demand, which does not provide strong value for money where using employed staff is generally a more efficient use of funds. Whilst there is no easy solution to this due to the nature of police recruitment the risks could be further reduced through improved communication between the OHU and Force's. Secondly through reviewing where and why things have gone wrong this will allow continuous improvement to be built into the process. This would minimise the financial impacts of an over reliance on bank staff by making demand profiling less immediate. It would also minimise any impact on the Unit's, and ultimately the Force's, reputation from pulling out of agency employment and staff assignments at short notice – something that has been attributed to high turnover rates in the Unit with Occupation Health Nurses. *Risk*: Unit is unable to appropriately plan and/or profile for service demand.
Response	Communication is already improved and will be maintained as discussed in the meeting with the authors in October 2022. If there are issues a lesson learnt review will be instigated as required.
Timescale	Completed.

Recommendation 2 (Housekeeping)	EMSOU SOC should ensure that an intranet site and/or SharePoint site is in place for staff and officers to access shared information, including job descriptions and person specification for roles within the unit to allow for workforce planning.
Finding	As part of the audit review into the identification of key roles and processes for succession planning, audit noted that job descriptions and person specifications were important documents needed for this process. While it was noted that most roles in the units reviewed had job descriptions and person specifications in easily accessible locations, it was noted that there was no such location for ESMOU SOC. It was noted in discussions that job descriptions and person specifications for

	police staff were held on the Leicestershire Police intranet but that the equivalent for officers were not held on an intranet site. Additionally, while the Leicestershire Police intranet should be accessible for all police staff (who are ultimately employed by the OPCC), officers are still employed by their home force and as such may not have access to this intranet portal. *Risk:* Effective succession planning is not in place for key roles.
Response	There is a piece of work being led by Andrew Price and Jack March on intranet and internet development. The complexities of an EMSOU intranet are being scoped. Staff have undertaken a survey in relation to content and further deep dive workshops are being arranged.
Timescale	April 22

Below we provide brief outlines of the work carried out, a summary of our key findings raised, and the assurance opinions given in respect of the final reports issued since the last progress report in respect of the **2021/22 Internal Audit Plan:**

Partnerships

Overall Assurance Opinion	Satisfactory

Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	2
Priority 3 (Housekeeping)	1

Our audit considered the following risks relating to the area under review:

Partnerships & Due Diligence

- Determine what partnership arrangements the OPCC are currently involved in and what due diligence is carried out prior to involvement with a partnership group.

Partnerships Governance

- Assess the current governance arrangements in place for individual partnerships:
  - Governance arrangements clearly defined
  - Roles and responsibilities understood by all parties
  - Risks to the OPCC effectively managed
  - Decision making is clear and transparent
  - Reporting arrangements in line with best practice

Strategic Alignment of Partnerships

- Evaluate how partnerships contributing to the strategic objectives of the OPCC, including the Police & Crime Plan.

Partnership Performance & Review

- Determine whether partnership arrangements are regularly reviewed to ensure that they remain relevant, effective and that the stated objectives of the partnership are being achieved.
- Provide assurance that regular monitoring information is produced to inform of partnership activity, including the resource input into the partnership and whether value for money is being achieved.
- Assess arrangements for reviewing partnerships and how the OPCC ensures that they remain relevant, effective and that the expected outcomes are delivered.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Partnerships system with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of Partnerships that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.

We raised two priority 2 (significant) recommendation, which is summarised below:

Recommendation 1 (Significant)	An appropriate performance reporting system should be established for the Communities and Partnerships Board. This could be a summary report or perhaps done by exception, but the Board needs access to review the information to enable them to deliver on their stated objective.
Finding	Audit reviewed minutes of board meetings from a number of individual partnerships that the OPCC is involved with and it was found that performance information is regularly reported on and discussed. This performance information is mostly operational and relates to metrics specific to the partnership, for example pedestrian casualty figures for the Road Safety Partnership. The Communities and Partnerships Board has recently been set up and one of its stated objectives are "To oversee the assessment of partnership performance, effectiveness and maturity", however performance information reports are not presented to allow for this assessment to take place. While partnerships monitor their own performance, to ensure that they are delivering the intended outcomes, however, reports on partnership performance need to be made to the Force Communities and Partnerships Board. *Risk:* Without adequate oversight of partnership activity there is a risk that partnerships do not deliver the benefits expected which could result in resources being used ineffectively and objectives not being met.
Response	A maturity assessment has been completed and a reporting system introduced from the December 2021 meeting.
Timescale	31st December 2021

Recommendation 2 (Significant)	The OPCC should map out partnership activity into a central record. The OPCC should also consider mapping out who attends partnership meetings to act as a quick reference and to assist in the monitoring of resources.
Finding	The OPCC is engaged with a number of statutory and non-statutory partnerships. The PCC's Annual Report provides an indication of partnerships that the OPCC is involved with, and a Commissioning Plan is in place which provides information on partnership funding. The amount of resources used in regard to staff time is also a key consideration by the OPCC. The Commissioning Plan provides the financial budget available however no information is provided around the attendees and staff requirements for each meeting. By mapping out the resources required for partnership activity into a single central record, this can be used as a reference guide to partnerships and aide evaluation of value for money considerations of each partnership. *Risk:* The OPCC is unaware of the staff resource requirements for individual partnerships. The OPCC is unable to quickly determine who the key officers of individual

	partnerships are.
Response	PDM to map out partnership activity and meeting attendance within the OPCC Delivery Plan.
Timescale	31st March 2022

We also raised one priority 3 recommendation of a more housekeeping nature relating to:

- Partnership Review – Audit were informed annual reviews of partnerships take place however these were not formally documented. Moreover, it was not clear how value for money in partnerships was considered as part of these reviews.

Management agreed with the recommendation and identified these would be in place by March 22

Complaints Management

Assurance Opinion	Satisfactory

Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	1
Priority 3 (Housekeeping)	-

Our audit considered the following risks relating to the area under review:

Governance Arrangements

- There are effective governance arrangements in place for the investigation and resolution of complaints that includes defined roles and responsibilities, senior oversight and reporting arrangements.
- There are clear procedures in place that support the complaints handling process and these are in line with the Police Reform Act 2002, Police (Complaints & Misconduct) Regulations 2020, Police (Conduct) Regulations 2020 and any other relevant legislation and good practice.

Processing of Complaints

- There is a mechanism for accurately recording complaints information and adequate information is collected from the complainants.
- Complaints are correctly assessed and dealt with in accordance with the relevant legislative and procedural requirements.
- The complaints management process meets the objective of addressing the concerns of the complainants and/or satisfies them that they have been listened to and treated fairly, even if the outcome is not what they were seeking.

Risk Mitigation

- There are key performance indicators and internal targets in place for the complaint's management process.
- There are processes in place to review closed complaints cases to confirm they have been completed accurately and correctly.
- Robust performance information is produced that enables the Force and OPCC to effectively manage the complaints process and provide assurance that complaints have been handled in line with statutory requirements.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Complaints Management systems with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of the Complaints Management process that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.

We identified one priority 2 (significant) recommendation, as detailed below.

Recommendation 1 (Significant)	(1) The Force should carry out a lessons learned review of the complaint highlighted to ensure these issues do not occur again. (2) The Force should ensure that complainants receive regular updates on the progress of their complaint and any actions that have been taken.
Finding	Complainants and/or interested persons must be kept properly informed about the progress and outcome of the handling of their complaint. This communication should be tailored to meet the needs of the individual, be meaningful and provided regularly. The regularity of communication is specified in the IOPC's Statutory guidance on the police complaints system at paragraph 11.9 as within four weeks from the start of the handling of the matter and every four weeks after that. Audit reviewed a sample of complaints and noted that for one complaint, the initial communications with the complainant had been provided at fourteen weeks instead of four weeks due to a delay in assigning a complaint handler. Audit also noted in this case that later communications were not always provided every four weeks either. The IOPC's Statutory guidance on the police complaints system, address the actions to be taken by the Force where there are delays in the handling of complaints within paragraph 11.11. It states that the Force is required to provide communication within these circumstances to explain the delay and any steps taken to mitigate the delay. *Risk*: Complainants are not updated on the progress of complaints and are more likely to seek review. Non-compliance with statutory guidance. Reputational damage to the public perception of and confidence in policing
Response	(1) This relates to CO/315/21 which was sent to the Chief Inspector on 23/04/21; Inspector A was appointed as the complaint handler. Contact was made with the complainant on 26/4/21 and it was established that there were two elements; one relating to the Neighborhood Policing Team (NPT) which was resolved there and then, and one relating to Protecting Vulnerable People (PVP). An oversight on behalf of Inspector A meant PVP were not notified of the complaint until 29/7/21; they contacted the complainant the same day. (2) Staff are reminded on the PSD2 (complaints handling form) of the following: "Update complainant and officer/s within 28 days and every following 28 days". This message will be reiterated on communications and training sessions provided to complaint handlers. Will be subject to dip sampled by the Independent Advisory Group (IAG) during next 12-month period.
Timescale	1 – Completed 2 – Over next 12 months.

Core Financials

Overall Assurance Opinion	Significant

Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	1
Priority 3 (Housekeeping)	2

Based upon the scope and objectives of the review outlined within the terms of reference we have provided a summary of the results of this audit, categorised into each area of the review undertaken. As these are reviewed on a cyclical basis audit have provided the previous Core Financial audit findings to show a comparison.

Key control area	March 2021		December 2021	
	Assessment	Level of issue	Assessment	Level of issue
General Ledger				
Journals	Control effective, except for	Housekeeping	Control effective	No issues noted
Management Accounts	Control effective	No issues noted	Control effective	No issues noted
Reconciliations	Control effective, except for	Housekeeping	Control effective, except for	Housekeeping
Cash, Bank & Treasury Management				
Receipts of Cash & Cheques	Control effective	No issues noted	Control effective	No issues noted
Cash Flow	Control effective	No issues noted	Control effective	No issues noted
Investments	Control effective	No issues noted	Control effective	No issues noted
Borrowing	Control effective	No issues noted	Control effective	No issues noted
Payments & Creditors				
New Suppliers	Control effective, except for	Housekeeping	Control effective, except for	Housekeeping
Supplier Amendments	Control effective	No issues noted	Control effective, except for	Housekeeping
Payments	Control effective	No issues noted	Control effective, except for	Significant
Goods / Service Receipts	Control effective	No issues noted	Control effective, except for	Significant
BACS Processing	Control effective	No issues noted	Control effective	No issues noted
Procurement	Control not effective	Fundamental	Not tested at this review	

Key control area	March 2021		December 2021	
	Assessment	Level of issue	Assessment	Level of issue
Income & Debtors				
New Debtors	Control effective, except for	Housekeeping	Control effective	No issues noted
Invoices Raised	Control effective, except for	Significant	Control effective	No issues noted
Other Income Streams	Control effective	No issues noted	Control effective	No issues noted
Credit Notes	Control effective	No issues noted	Control effective	No issues noted
Debt Management	Not tested at this review		Control effective	No issues noted
Write Offs	Not tested at this review		Control effective	No issues noted
Payroll				
Starters	Control effective	No issues noted	Control effective	No issues noted
Leavers	Control effective	No issues noted	Control effective	No issues noted
Variations	Control effective	No issues noted	Control effective	No issues noted
Deductions	Control effective	No issues noted	Control effective	No issues noted
Expenses	Control effective, except for	Housekeeping	Control effective	No issues noted
Overtime	Control effective	No issues noted	Control effective	No issues noted
Payroll Runs	Control effective	No issues noted	Control effective	No issues noted
Other (Cross Cutting Themes)				
Policies, Procedures & Guidance	Control effective	No issues noted	Control effective	No issues noted
System Access	Control effective	No issues noted	Not tested at this review[1]	
Fraud Prevention	Not tested at this review		Control effective	No issues noted

We one priority 2 (significant) recommendation, as detailed below.

Recommendation 1 (Significant)	The Force should perform a review of the Approval Matrix to ensure its accurate and up to date. Moreover, a periodic review of the matrix should be scheduled to prevent this from becoming outdated. The authoriser of the invoice should ensure that the GRN stamp has been signed and dated prior to the payment of the invoice.

[1] System access testing was not completed due to delays in management response.

Finding	Audit reviewed a sample of 10 non-PO invoices to ensure that goods and services are adequately receipted and supported by adequate documentation. Audit noted the following: - Two instances where the staff member receipting the GRN was not noted on the invoice or Finance System - One Instance where the GRN Date was not noted on the invoice or Finance System In addition to this, audit reviewed a sample of 10 non-PO invoices to ensure that there are effective and appropriate controls in place for the approval of non-purchase order invoices. Audit noted one instance where the approver of the Non-PO, did not match that of the individual noted within the Force's Approval Matrix. However, through conversation with management, this staff member had appropriate authorisation for said invoices, however this had not been reflected on the Force's Approval Matrix. Risk: Unauthorised expenditure is made by the Force The Force pays for goods and services that they have not received.
Response & Timescale	There is a regular review of the approval matrix undertaken – there is no evidence that it is outdated or inaccurate. The example of expenditure approved outside the matrix was a refund of a firearms license payment. This was not in line with the matrix but was appropriately approved. The process has now been changed to ensure it fits with the matrix. We have reiterated the need to ensure non-PO invoices are receipted in an accurate and consistent manner. Completed.

We also raised two priority 3 recommendation of a more housekeeping nature relating to:

- Feeder Systems Reconciliation – The Balance Sheet Process document stipulates 15 working days to completed, in one instance it took 19 days.
- Supplier Set Ups – In one instance an incorrect postcode was applied to a new supplier.

A4 Collaboration Internal Audit Plan 21/22

Audit area	Forces	Status
EMSOT Risk Management	Leics, Lincs, Northants	As noted in section 02 EMSOT audits to be adapted and deferred into 22/23
ESMOT Business Plan	Leics, Lincs, Northants	As noted in section 02 EMSOT audits to be adapted and deferred into 22/23
EMCHRS L&D Governance	Derby, Leics, Northants, Notts	As noted in section 02 to be deferred into 22/23
EMCJS Performance Management	Leics, Lincs, Northants, Notts	Scheduled for 6th April
EMSOU - Business Continuity	Five Force	As noted in section 02 to be deferred into 22/23
EMSOU - Wellbeing	Five Forces	Fieldwork is complete and draft report to be issued shortly
EMSOU Risk Management	Five Forces	As noted in section 02 to be deferred into 22/23
Asset Management (EMCJS)	Leics, Lincs, Northants, Notts	Scheduled for 6th April

A5 Statement of Responsibility

We take responsibility to Lincolnshire Police and the Office of the Police and Crime Commissioner for Lincolnshire for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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