



# Cheshire Police Authority - Audit Committee

## MINUTES OF A MEETING HELD ON 23 MARCH 2009 IN CONSTABULARY HEADQUARTERS, WINSFORD

*Present:* R Hodson, Chairman  
E Lam, Vice-Chairman  
A Bradley  
D Cargill  
J P Findlow  
C Oliver  
P Nurse  
T Savage

*Also present:* D Bateman and M Darby  
D Wilson, Audit Commission  
G Parry, Audit Commission (External Audit)  
L Randall and R Bowden, RSM Bentley Jennison (Internal Audit)

*Authority Officers:*  
M Sellwood, Chief Executive  
L Lunn, Treasurer  
M Eaton, Member Services Manager

*Constabulary Officers:*  
B Simmons, Assistant Chief Officer  
K Watkins, Director of Performance Development

*Apologies:* G Cousins

### 40. MINUTES

*RESOLVED:*

That the Minutes of the meeting held on 9 December 2008 be confirmed as a correct record.

### 41. COMPREHENSIVE AREA ASSESSMENT (CAA) FRAMEWORK

The Treasurer introduced a representative from the Audit Commission and the External Auditor who gave presentations on individual aspects of the Comprehensive Area Assessment (CAA) framework, which would impact on the Authority and Constabulary between May and November 2009.

David Wilson of the Audit Commission gave a presentation on preparing for CAA, which outlined the aims; the framework; and the timetable for the assessment. Graham Parry of External Auditor presented the project brief for the Use of Resources (UoR) 2009 which was an integral part of the CAA framework. The brief outlined the approach to be taken to the UoR assessment, the key contacts and reporting arrangements. The Director of Performance Development reported on the Organisation Assessment to be undertaken by HMIC.

Members discussed a number of issues arising from the presentations with the three presenters.

*RESOLVED:*

That the presentations on the CAA framework be received.

42. EXTERNAL AUDIT SUPPLEMENTARY OPINION PLAN 2008/09

The External Auditor presented the Opinion Plan in relation to the audit of the 2008/09 accounts. The Opinion Plan outlined, in accordance with professional auditing standards, the risks the External Auditor considered in planning the work to provide the opinion on the final accounts.

*RESOLVED:*

That the External Auditor's Opinion Plan for 2008/09, be received.

43. TRIENNIAL REVIEW OF INTERNAL AUDIT

The External Auditor presented the project brief for the triennial review of Internal Audit, which had commenced and formed part of the rolling programme of assurance work. The report outlined the scope and objectives; approach; reporting and timescales; and personnel and key contracts.

In considering the report, Members raised a number of issues including the relationship between External and Internal Audit; and the audit arrangements for External Audit, to which the External Auditor responded.

*RESOLVED:* That

- (1) the report be received; and
- (2) a report on the outcome of the review of Internal Audit be presented to the next meeting of the Committee.

44. INTERNAL AUDIT: QUARTERLY REPORT

The Internal Auditor presented the quarterly report for January-March on progress against the internal audit plan for 2008/09. The report detailed several issues including the current and planned work programme, key findings from the internal audit work, performance, liaison with management and External Audit, and changes to the plan.

The report also incorporated executive summaries and actions plans of the final internal audit reports for learning and development; grievance procedure; payroll key controls; procurement cards; area and level 2 policing reviews; review of the three partnership arrangements; and follow-up of implementation of previous audit recommendations.

In considering the report, Members discussed the considerable progress made by Internal Audit to finalise the reports; the use of the contingency; the fee levels; and some human resource issues with the Internal Auditors. The Chief Executive advised that Staff Committee received quarterly reports on grievances and the issues arising from the audit could be discussed at that Committee with the Director of Human Resources.

*RESOLVED:*

That the report be received.

45. DRAFT INTERNAL AUDIT PLAN 2009/10 AND STRATEGY UPDATE

The Internal Auditor presented the internal audit plan for 2009/10 and the updated strategy for 2009-12. Members discussed with the Internal Auditor issues arising from the plan.

*RESOLVED:* That

- (1) the internal audit plan for 2009/10, which covers the Authority's priorities, be approved; and
- (2) the updated internal audit strategy for 2009-12, which covers the Authority's key risks as recognised by the Committee, and provides the necessary level of assurance, be approved.

46. MANAGEMENT RESPONSE TO IMPLEMENTING OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS

The Director of Performance Development presented a report on progress against the outstanding actions from agreed internal audit reports. The report detailed the progress against outstanding recommendations in relation to accounts payable; main accounting system; accounts receivable; IT service continuity; procurement; confidential reporting policy; and hire cars.

*RESOLVED:*

That the report be received.

47. FINANCIAL REGULATIONS AND SCHEME OF DELEGATION

The Treasurer presented the revised Financial Regulations and Scheme of Delegation. The Committee on 9 December 2008 (Minute 31) had considered early drafts which had subsequently been developed in consultation with the Constabulary.

*RESOLVED:* That

- (1) the Authority be recommended to approve both the Financial Regulations and Scheme of Delegation; and
- (2) an update report on the roll-out of the documents be presented to the Committee on 22 September 2009.

48. CHIEF OFFICERS: INTERNAL GOVERNANCE ARRANGEMENTS

The Treasurer presented a report on the outcome of the review of Chief Officers' internal governance arrangements, following the IPCC investigation into complaints made against the former Chief Constable of Dyfed Powys Police in 2008.

The report detailed the review by the Deputy Chief Constable of internal governance arrangements at Chief Officer level which identified that whilst the arrangements were robust, some areas such as annual leave, expenses and corporate procurement cards needed strengthening. The Treasurer reviewed the controls introduced by the Deputy Chief Constable these three areas, in addition to daily business activities and computer use. The Treasurer concluded there was a good

level of assurance in these areas and there was an opportunity through the roll-out of Financial Regulations to reiterate these basic controls throughout the Constabulary.

*RESOLVED:*

That the report be received.

49. POLICE AUTHORITY RISK REGISTER: QUARTERLY REVIEW

The Treasurer presented the quarterly review of the Authority's risk register, which detailed the progress against the controls, actions, scores and commented on the areas of commonality with the Constabulary's risk register review.

*RESOLVED:*

That the amended Police Authority Risk Register, be approved.

50. URGENT BUSINESS  
(There were no items of urgent business)

51. EXCLUSION OF THE PRESS AND PUBLIC

*RESOLVED:*

That under Section 100(A)(4) of the Local Government Act 1972, as applied by the Police Act 1996, as amended, the press and public be excluded from the meeting for the item of business listed below on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act in the paragraph indicated:-

<i>Item</i>	<i>Paragraph</i>	
Constabulary's Risk Management: Update	(7)	Information relating to the prevention, investigation or prosecution of crime

*PART 2 – MATTER CONSIDERED IN THE ABSENCE OF THE PRESS AND PUBLIC*

52. CONSTABULARY RISK MANAGEMENT: UPDATE

The Director of Performance Development presented an update on the Constabulary's arrangements for identifying and managing business risk.

*RESOLVED:* That

- (1) the updated Constabulary's Strategic Risk Register, be noted; and
- (2) the Chief Executive and the Director of Performance Development consider the appropriateness of combining the Authority's and Constabulary's risk registers into one document and report further to the next meeting.

*Duration of Meeting: The meeting commenced at 9.30am and concluded at 11.37am (Following the meeting the Members of the Committee met in private with the Internal Auditor.)*