



# CHESHIRE POLICE AUTHORITY

## AUDIT COMMITTEE

### MINUTES OF A MEETING HELD ON 24 JUNE 2008 IN CONSTABULARY HEADQUARTERS, WINSFORD

*Present:* R Hodson, Chairman  
E Lam, Vice-Chairman  
A Bradley  
D Cargill

G A Cousins  
J P Findlow

*Also present:* J Tench and G Parry, Audit Commission (External Audit)  
L Randall and S Welsh, RSM Bentley Jennison (Internal Audit)

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

*Constabulary Officers:*  
B Simmons, Assistant Chief Officer  
A Rainford, Head of Finance & Procurement  
W Bebbington, Principal Management Accountant

*Apologies:* P Nurse and T Savage

#### 1. MINUTES

*RESOLVED:*

That the Minutes of the meeting held on 25 March 2008 be confirmed as a correct record.

#### 2. ANNUAL GOVERNANCE STATEMENT 2007/08

The Treasurer reported that the Authority was required to annually review the effectiveness of its framework of corporate governance and report its findings in an Annual Governance Statement. This replaced the Statement of Internal Control which had previously been produced, expanding the process to include corporate governance as well as internal control. The report detailed the process undertaken and the findings leading to the production of the joint Statement for the Authority and the Constabulary. A copy of the Action Plan in relation to the five key areas included in the Statement was circulated to Members.

Members considered the Statement and the Action Plan and raised a number of issues including the need either for two separate Statements in future or two distinct parts to the Statement to distinguish between the roles of the Authority and the Constabulary; the relationship with PURE and CAA; and clarity of the text in the Statement, to which the Treasurer and Assistant Chief Officer responded.

*RESOLVED:*

That the Annual Governance Statement and Action Plan, subject to any amendments resulting from the external audit of the accounts, be approved.

3. STATEMENT OF ACCOUNTS 2007/08

The Head of Finance & Procurement presented the Statement of Accounts for 2007/08 and outlined the statutory timetable for their publication.

At a workshop on 16 June 2008, Members had received a presentation on the Statement of Accounts, with some of the key issues and the purpose of the recent changes in accounting standards explained.

The Chairman advised that the workshop and the extensive notes which accompanied the Statement of Accounts had been very beneficial and helpful. Members scrutinised the Statement of Accounts and discussed the financial position of the Authority.

*RESOLVED:*

That the Statement of Accounts for 2007/08, be approved.

4. EXTERNAL AUDIT PLAN 2008/09

The External Auditors presented the External Audit Plan for 2008/09, which included an analysis of key risks, the audit strategy and audit timetable, together with details of the proposed fee.

Members noted the report and raised a number of issues including the proposed increase in fees; the draft KLOEs; to which the External Auditor responded.

*RESOLVED:* That

- (1) the 2008/09 External Audit Plan, be approved; and
- (2) the External Auditors be invited to meet with Members for a private discussion after the Audit Committee on 18 September 2008.

5. DRAFT INTERNAL AUDIT PLAN 2007/08

The Engagement Manager presented the draft Internal Audit Plan for 2008/09 and the proposed audit protocol which established and clarified the key principles upon which internal audit services would be provided and managed.

Members noted the report and enquired with the External Auditor about the relationship with the Internal Auditors; and the number of programmed work days.

*RESOLVED:*

That the Internal Audit plan for 2008/09, be approved.

6. POLICE USE OF RESOURCES (PURE) 2007/08

The Treasurer reported on the timetable for the External Auditors' assessment of PURE for 2007/08.

*RESOLVED:* That

- (1) the report be noted; and
- (2) the results of PURE for 2007/08 be submitted to the Committee on 18 September 2008.

7. COMPREHENSIVE AREA ASSESSMENT AND USE OF RESOURCES

The Treasurer presented the Audit Commission summary of responses to the consultation on Comprehensive Area Assessment; the Use of Resources (UOR) consultation; and the overall approach to the 2009 UOR assessment and final Key Lines of Enquiry.

*RESOLVED:*

That the report be noted.

8. BUSINESS CONTINUITY PROGRAMME: UPDATE

The Assistant Chief Officer presented an overview of the business continuity programme and its future development. The development of the programme was a major undertaking for the Constabulary, however, the benefit of engaging in business continuity planning fulfilled legal obligations under the Civil Contingencies Act, and enabled the Constabulary to be in a strong position to deal with potential future incidents that may disrupt normal services.

The Chairman expressed his disappointment about the timescale involved in the production of the programme.

*RESOLVED:*

That the update on the Business Continuity Programme, be noted.

9. REVIEW OF THE AUTHORITY'S RISK REGISTER

The Treasurer presented an update on the Authority's risk register, and in particular outlined to Members the progress against the controls, actions and scores.

Members in considering the register, raised a number of issues to which the Treasurer responded.

*RESOLVED:*

That the amended Risk Register be approved.

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

11. 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 items of business listed below on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act in the paragraphs indicated:-

<i>Item</i>	<i>Paragraph</i>	
Constabulary Risk Management: Update	(7)	Information relating to the prevention, investigation or prosecution of crime
Response to Previous Internal Audit Reports	(7)	Information relating to the prevention, investigation or prosecution of crime

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

12. CONSTABULARY RISK MANAGEMENT: UPDATE

The Assistant Chief Officer presented an update on the Constabulary's arrangements for identifying and managing business risk.

*RESOLVED:*

That the updated Constabulary's Strategic Risk Register, be noted.

13. RESPONSE TO PREVIOUS INTERNAL AUDIT REPORTS

The Assistant Chief Officer and the Treasurer presented a joint report which detailed the management responses to three reports prepared by the Authority's previous Internal Auditors at Cheshire County Council which related to reviews of hire cars; the HBG contract; and the confidential reporting policy.

*RESOLVED:* That

- (1) the report be received; and
- (2) revised arrangements for the management of hire cars be presented to the Committee on 18 September 2008.

*Duration of Meeting: The meeting commenced at 9.30am and concluded at 11.15am.*