

Progress Report

Jan 2010

Cleveland Police Authority

Audit 2009/10

Date

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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Introduction

- 1 This report provides a summary to inform the Audit and Internal Control Panel of an update on 2009/10 audit programme to date.
- 2 This update also seeks to highlight key emerging national issues and developments which may be of interest to the members of the Panel.
- 3 If you require any additional information regarding the issues included within this briefing, please feel free to contact your Audit Manager (Catherine Andrew) or District Auditor (Lynne Snowball).

2009/10 audit

- 4 Our approach to planning has changed for 2009/10 and instead of producing a full audit plan a number of months in advance of starting any work, we now prepare a letter at the beginning of the audit year, with a detailed plan later.
- 5 We issued our draft 2009/10 fee letter to the Chief Executive on 3 April 2009 and this was discussed at a meeting on 29 April with officers and the Chair of the Audit and Internal Control Panel.
- 6 We are currently reviewing our initial risk assessment to update our plans for changes since April and have done walk through testing of the significant financial systems. The audit opinion plan will be presented to the next Audit and Internal Control Panel.
- 7 We have also had discussions with the Authority and Force about our approach to Use of Resources 2009/10. We are currently preparing a gap analysis to establish what additional work is required.
- 8 Work carried forward from 2008/09 is detailed below:

Planned work	Position
Review of governance arrangements, including the use of the Audit Commission good governance diagnostic	The survey was carried out from 20 November to 18 December, the results have been analysed and the results will now inform out 2009/10 use of resources work.
Review of use of information for performance management across the organisation, including arrangements to ensure agreed action plans are monitored	Fieldwork is complete and a draft report for the use of information work has been shared with officers.

Other developments

- 9 Since the Audit and Internal Control Panel last met, the following developments have occurred that are relevant to the Authority.

Audit Commission national reports

- 10 The Audit Commission, along with our five partner inspectorates launched the first joint judgement on the [Oneplace website \(external link\)](#). Oneplace divides the country into 152 areas, measuring how well local services work together to meet both their own priorities and government indicators on, for example, anti-social behaviour and teenage pregnancy.
- 11 The Audit Commission's report 'Protecting the Public Purse' published on 15 September considers the key fraud risks and pressures facing councils and related bodies and identifies good practice in fighting fraud. It calls on them to urgently reassess their counter fraud plans and to ensure that staff understand, and have faith in, whistle-blowing arrangements. This report was highlighted in the last progress report, but it has now been decided that copies of the Executive Summary should be provided to all Audit Committees and copies are available today.
- 12 On Friday 20 November, the Audit Commission published two important reports on the quality of its work and that of its appointed auditors. This includes the view of the Audit Inspection Unit that carried out an independent review of our work:
- Audit practice annual quality report; and
 - Audit quality review process.
- 13 On Thursday 17 December, the Audit Commission published 'Auditing the Accounts' which summarises the results of our work on the 2008/09 accounts and use of resources. It includes sections on financial statements, use of resources, auditor reporting and challenges for 2009/10.

Other Audit Commission communications

- 14 The annual final accounts workshops are being held in January and February. The aims of the workshop are:
- key issues affecting the preparation and audit of the financial statements
 - help local government bodies achieve a smooth and trouble-free final accounts and audit process for 2009/10
 - identify the practical issues relating to the introduction of International Financial Reporting Standards (IFRS).
- 15 The Force is currently collating information in response to a national request as part of the study 'Policing - More for Less'. The data collection is one element of the national study. The study also includes a national opinion survey of chief constables and police

authority chairs; existing data analysis (including performance data); and detailed case studies.

Police Authority inspection

- 16** The first Police Authority inspections started on site in September. All police authorities will be inspected in a phased programme that will be completed by the middle of 2011. Cleveland Police Authority inspection is planned to take place between March and July 2010.
- 17** Police Authority inspections will:
- Evaluate the impact that a police authority has in holding its force to account in delivering policing priorities in an area and, in doing so, identify how the police authority makes a difference in ensuring that the priorities are delivered;
 - Probe the effectiveness of the police authority's management of both its own and its force's performance, leadership and scrutiny; how it manages the use of its own and its force's resources and people efficiently and effectively and provides value for money; how it works in collaboration with communities and partners to build capacity; and how it ensures the delivery of outcomes and improvements that matter to local people.
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CIPFA publications

- 18** There have been three CIPFA publications recently:
- Statement on the role of the Chief Internal Auditor and its role in audit;
 - Treasury management in the public services code of practice and guidance notes; and
 - Prudential code for capital financing.
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Other publications

- 19** The Treasury published the Whole of Government Accounts newsletter November 2009.
- 20** The DCLG launched a consultation on changes to the capital financing system.
- 21** CIPFA/SOLACE published a discussion paper 'After the downturn, managing a significant and sustained adjustment in public sector funding'.
<http://www.cipfa.org.uk/pt/cipfasolace/index.cfm>
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The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

Copies of this report

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