

**Report of the Chief Executive
to the Chair and Members
Of the Audit & Internal Control Panel
26th November 2009**

**Executive Officer: Joe McCarthy Chief Executive
Presented by : Paul Kirkham
Status: For Decision**

**Audit & Internal Control Panel
2008/2009 Self Assessment – Action Plan Progress**

1 Purpose

- 1.1 The Action Plan arising from the Panel's self assessment in October and November was approved at your meeting of the 26th November 2008. This report has in the appendix, the progress made to date.

2 Recommendations

That Members

- 2.1 Note the progress against the approved Action Plan

3 Reasons

- 3.1 As part of the continuous process of development and improvement of the Police Authority the Chief Executive and the Chair of the Panel commissioned a self assessment of the Audit & internal Control Panel. This was facilitated by District Audit who are your external auditors appointed by the Audit Commission. Further support was provided by the authority's officers.
- 3.2 Following the sessions on the 28th October and 5th November, and an analysis of the self assessment questionnaires completed by all of the members of the panel, an Action Plan intended to address areas for improvement was developed. This is attached at Appendix A to this report. It has been annotated to show the progress to date.
- 3.3 Most areas have been completed, though there are a few areas which need further consideration.

4 Implications

4.1 Finance

Financial consequences of the action plan are included in the budgets of the Authority and those of the Force.

4.2 Legal

There are no legal implications in this report

4.3 Diversity & Equal Opportunities

No issues have been identified within this report which relate to diversity and equal opportunities.

4.4 Sustainability

There are no sustainability implications arising from this report.

4.5 Risk

There are no risk implications arising from this report

5 Conclusions

5.1 The self assessment process has proved to be useful to Members and officers alike in developing the role and effectiveness of the Panel.

Joe McCarthy
Chief Executive

**Cleveland Police Authority
Audit & Internal Control Panel
Self Assessment 2008/2009 – Action Plan**

Status	Issue	Action	Who	When
1	Does the Internal Audit & Control Panel have written terms of reference that adequately and realistically define the Panel's role in accordance with CIPFA guidance?	Set up Library for Panel (once the work on the Members room is completed) This is completed	SPK	End Nov 2008
2	Are the Panel's terms of reference reviewed annually to take into account governance developments and the remit of other panels within the CPA?	Develop Mechanism to review panel interface through Leadership Panel This is completed as the matter will be addressed in the annual review of the Code of Corporate Governance	NW	End Jan 09
2	Has the Panel established a plan for the conduct of its own work across the year?	Report in November about current year programme, and outline for next year This is completed	SPK/NW	November panel Meeting
2	Are changes to the Panel's current and future workload discussed and approved at the Police Authority?	Develop protocol This is completed	SPK, ACO(F&C)	End Jan 09
1	Does the Panel report regularly to the Police Authority?	While the Minutes go to the Police Authority Executive, it was felt that reporting would be enhanced through the proposed Panel Annual report. (see below) This is completed		

Status 1 = Must do 2= Should do 3= Could do

Date last updated 16th November 2009

**Cleveland Police Authority
Audit & Internal Control Panel
Self Assessment 2008/2009 – Action Plan**

Status	Issue	Action	Who	When
2	Are members, particularly those new to the Panel, provided with training?	Link to Annual Plan process - what about Induction training. New CPA members are now provided with induction. This is now in place Where there is a new member for the A&IC Panel – individual mentoring will be offered and provided through officers and Chair of Panel.	Chair V Chair SPK	End Jan 09
2	Does the Panel prepare an annual report on its work and performance in the preceding year for consideration by the Police Authority	Draft Annual Report for 2008/2009 This is completed.	Chair V Chair SPK	April/May 09
3	Does the Panel have a mechanism to keep it aware of topical, legal and regulatory issues	Future plans and training needs to be referred to Leadership Panel. Link up to the work of the Force on compliance, and Authority Officer briefings	Chair SPK/NW	End March 09 Ongoing
2	Has the Panel formally considered how its work integrates with wider performance management and standards compliance?	Refer to Leadership Panel and report back to Panel This is completed – addressed through the AGS 2008/2009 process	Chair SPK	End Dec 08

Status 1 = Must do **2**= Should do **3**= Could do

Date last updated 16th November 2009

**Cleveland Police Authority
Audit & Internal Control Panel
Self Assessment 2008/2009 – Action Plan**

Status	Issue	Action	Who	When
2	Is the Panel satisfied that appropriate anti-fraud and corruption policies are in place and operating effectively?	Review agreed recs arising from the work of Internal Audit and those recommendations in the Audit Commission's PURE report. Analysis of complaints underway. Internal Audit have reviewed Counter Fraud and Corruption arrangements and will report to the A&IC Panel.	SPK PSD ACO (F&C)	Ongoing from Jan 09
2	Are the key principles of the terms of reference set out in the Standing Financial Instructions?	Need to ensure Fin SO and SFI include this by Standing & Financial SO, together with SFI are presently being reviewed; the objective is to have drafts available by the end of April. This is outstanding – initial draft to be prepared by SPK	SPK ACO (F&C)	End of March 09
2	Does the Panel effectively monitor the implementation of management actions arising from audit reports?	Review existing mechanisms Completed Proposed work programme includes 6 monthly reporting from Force on progress on implementing internal and external audit recommendations. This will draw upon existing work of KR re Internal Audit recs.	Chair/ V Chair SPK ACO(F&C)	End Nov 09

Status 1 = Must do 2= Should do 3= Could do

Date last updated 16th November 2009

Cleveland Police Authority
Audit & Internal Control Panel
Self Assessment 2008/2009 – Action Plan

Status	Issue	Action	Who	When
2	Does the Panel hold periodic private discussions with the Head of internal Audit?	Arrange periodically when the Audit Panel meets. Chair & V Chair to agree process with HIA. Standing item on agenda from Nov 08. This is completed	Chair V Chair HIA	Ongoing from Nov 08
3	Has the Panel agreed a range of Internal Audit performance measures to be reported on a routine basis?	Address in IA contract. This is in the IA Contract	SPK	Ongoing as part of new IA Contract
3	Does the Panel review summaries of quality questionnaires completed by managers?	New arrangements are now in hand and will be reported to future meetings of the Panel once sufficient questionnaires have been received from auditees.	SPK ACO (F&C) HIA	Ongoing
3	Are there any quality assurance procedures to confirm whether the work of the Internal Auditors is properly planned, completed, supervised and reviewed?	This forms a part of the development of the new IA contract. Included in the IA Contract	SPK	Ongoing as part of new IA Contract
2	Has the Panel satisfied itself that work not relating to the financial statements work is adequate and appropriate?	Future revised arrangements will help with this. Audit Commission include confirmatory letters.	Audit Commission	Ongoing from March 09
2	Does the Panel receive and monitor actions taken in respect of prior years' reviews?	Link in with recommendations that go to other panels. Proposed work programme includes 6	SPK	Ongoing from Nov 09

Status 1 = Must do 2= Should do 3= Could do

Date last updated 16th November 2009

Cleveland Police Authority
Audit & Internal Control Panel
Self Assessment 2008/2009 – Action Plan

Status	Issue	Action	Who	When
		monthly reporting from Force on progress on implementing internal and external audit recommendations. This will draw upon existing work of KR re Internal Audit recs.		
2	Does the Panel hold periodic private discussions with the External Auditor?	Set up routine for this Completed	Chair V Chair Audit Commission	Ongoing from Nov 08
2	Does the Panel assess the performance of External Audit?	This matter to be discussed with our External Auditors. Opportunity to raise issue on performance is provided at each Panel meeting using the vehicle of the Auditors progress report.	Chair V Chair Audit Commission	End of Dec 08
3	Does the Panel gain an understanding of management's procedures for preparing the annual accounts?	Review current arrangements for 2008/2009 Accounts Chief Executive as Section 151 officer to undertake the relevant detailed briefing.	Chief Exec ACO(F&C) SPK	Feb 09
3	Does the Annual Report and Accounts of the Authority include a description of the Panel's remit and activities?	Published documents to be reviewed This is completed – included in the AGS which also forms part of the Statement of Accounts.	Chief Exec SPK	End of Dec 08

Status 1 = Must do 2= Should do 3= Could do

Date last updated 16th November 2009



Status 1 = Must do **2**= Should do **3**= Could do

Date last updated 16th November 2009