

# Annual Governance Report

Cleveland Police Authority

Audit 2009/10

September 2010

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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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Ladies and Gentlemen

## **2009/10 Annual Governance Report**

I am pleased to present the final version of my report on the results of my audit work for 2009/10.

I discussed and agreed a draft of the report with the Acting Chief Executive and Acting Treasurer on 20 September 2010.

My report sets out the key issues that you should consider before I complete the audit.

It asks you to:

- consider the matters raised in the report before approving the financial statements (pages 7 to 12);
- take note of the adjustments to the financial statements set out in this report (Appendix 2);
- approve the letter of representation on behalf of the Authority before I issue my opinion and conclusion (Appendix 3); and

Yours faithfully

Lynne Snowball

District Auditor

September 2010

# Key messages

This report summarises the findings from the 2009/10 audit which is substantially complete. It includes the messages arising from my audit of your financial statements and the results of the work I have undertaken to assess your arrangements to secure value for money in your use of resources.

<b>Financial statements</b>	<b>Results</b>	<b>Page</b>
Unqualified audit opinion	Yes	7
Financial statements free from material error	No	7
Adequate internal control environment	Yes	8
<b>Value for money</b>	<b>Results</b>	<b>Page</b>
Adequate arrangements to secure value for money	Yes	10

## Audit opinion

- 1 I am proposing to issue an unqualified audit opinion following the meeting of the Authority on 29 September 2010.

## Financial statements

- 2 The financial statements and supporting working papers were available to me to begin my audit by the agreed date. The quality of both the financial statements and working papers was good.
- 3 I identified one material error during the audit on the valuation of the Authority's PFI asset and related liabilities. New accounting requirements (IFRIC 12) in 2009/10 brought PFI schemes on to the balance sheet. The Authority addressed this complex and technical issue well overall, but a material adjustment was needed to correct the initial value of the asset and related accounting entries.

## Value for money

- 4 I intend to issue an unqualified conclusion stating the Authority had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources.

## Key messages

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### Audit fees

- 5 I outlined my audit plan in the 2009/10 fee letter presented to the Audit and Internal Control Panel last year. The fee was set at £85,780, based upon the expected programme of audit and inspection work required, and our risk based audit approach, to give Members and officers of Cleveland Police Authority early sight of the proposed fee.
- 6 Since agreeing this fee the scope of my work has increased beyond that expected, due to other risks emerging. Most notably I have been required to undertake:
  - significant extra work, involving the extensive use of technical specialists, to consider the accounting treatment with regard to the valuation of PFI assets; and
  - a review of a senior officers proposed severance package. This work could not have been envisaged when I submitted my plan, yet has subsequently required a significant degree of senior audit staff time.
- 7 Because of this additional work I alerted the Audit Panel at its August meeting that I would likely be charging additional audit fee. Now that the planned work for the year is completed I can confirm that this is the case, and estimate a revised fee of £94,370 required.

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### Independence

- 8 I can confirm that the audit has been carried out in accordance with the Audit Commission's policies on integrity, objectivity and independence.

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# Next steps

**This report identifies the key messages that you should consider before I issue my financial statements opinion, value for money conclusion, and audit closure certificate. It includes only matters of governance interest that have come to my attention in performing my audit. My audit is not designed to identify all matters that might be relevant to you.**

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**9** I ask the Authority to:

- consider the matters raised in the report before approving the financial statements (pages 7 to 12);
- take note of the adjustments to the financial statements which are set out in this report (Appendix 2); and
- approve the letter of representation on behalf of the Authority before I issue my opinion and conclusion (Appendix 3).

# Financial statements

**The Authority's financial statements and annual governance statement are important means by which the Authority accounts for its stewardship of public funds. As Authority members you have final responsibility for these statements. It is important that you consider my findings before you adopt the financial statements and the annual governance statement.**

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### Opinion on the financial statements

- 10** I plan to issue an audit report including an unqualified opinion on the financial statements. Appendix 1 contains a copy of my draft audit opinion.

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### Errors in the financial statements

- 11** There was one material error in the financial statements. The introduction of IFRIC12 requires that lease type arrangements, including PFI schemes, must be accounted for differently from 2009/10 (with 2008/09 comparative figures also restated). The Authority has two long-standing PFI schemes:
- Action Stations, which provides divisional police stations; and
  - Urray Nook, a weapons training centre.
- 12** The financial statements should reflect the carrying value of PFI assets and liabilities. For each PFI scheme, the Authority incorrectly based the initial value of the assets and liabilities for each scheme on the value of the PFI credits received. The combined value of the PFI credits and the assets and liabilities at the point of recognition was £49.2 million.
- 13** Statement of Recommended Practice Guidance Notes, state that relevant capital costs from the operator's financial model ('the OFM') are a reasonable approximation for the fair value of the assets. This is £35.0 million for the two schemes, a material difference to the figure used.
- 14** Officers have agreed to revise the accounts. There are a number of material adjustments that will arise from this change, across a number of different accounting statements. However the Authority's balances and the financial position have not been affected by these changes.
- 15** As well as this material change, my audit identified other errors which I must be report to you. Appendix 2 includes a list of errors which have been adjusted following the audit of the financial statements.

**Other changes to the financial statements - Pension indexation**

- 16 Since 1972 public-sector pensions have been increased each April in line with the Retail Prices Index ('RPI'). From April 2011 HM Treasury plans to link future increases in pension to the Consumers Price Index ('CPI').
- 17 The actuary to the pension fund has quantified the likely impact of this change would be to reduce the Authority's pension liabilities by £42 million. As this is a significant reduction, the Authority has reflected this as a non-adjusting event after the Balance Sheet Date.

**Important weaknesses in internal control**

- 18 My audit found no material weaknesses in internal control.

**Letter of representation**

- 19 Before I issue my opinion, auditing standards require me to ask you and management for written representations about your financial statements and governance arrangements. Appendix 3 contains the draft letter of representation.

**Key areas of judgement and audit risk**

- 20 In planning my audit I identified specific risks and areas of judgement that I have considered as part of my audit. My findings are shown in the table below

**Table 1 Key areas of judgement and audit risk**

Issue or risk	Finding
<p>PFI schemes: The introduction of IFRIC12 in 2009/10 requires that lease type arrangements, including PFI schemes, must be considered for revised accounting treatment.</p>	<p>A number of changes were required arising from the change in the initial value of the assets and liabilities for the two PFI schemes. (Paragraphs 11 to 14 refer).</p>
<p>Air Support Unit: The air support unit consortium with Durham and Northumbria Police Authorities was disbanded in 2008/09 but the final settlement had not been agreed. Accounting for balances on termination of previous arrangement may not be correctly accounted for.</p>	<p>The terminated air support consortium has been accounted for correctly and wind-up transactions now completed.</p>

## Financial statements

Issue or risk	Finding
<p>New classification of income and expenditure account:</p> <p>The income and expenditure account in the 2009/10 financial statements requires an analysis of police service costs over nine separate headings (as opposed to only one in prior years).</p> <p>There is a risk that the Authority fails to correctly classify the expenditure and/or does not accurately restate the 2008/09 comparative figures.</p>	<p>I am satisfied that the required analysis of police service costs has been complied with and that 2008/09 comparative figures have been properly restated.</p>
<p>Officer remuneration disclosure:</p> <p>Additional disclosures are required to be included in this year's financial statements.</p>	<p>Disclosures met the requirements of Statement of Recommended Accounting Practice.</p>
<p>Changes in accounting for council tax:</p> <p>Risk that the changes introduced by the SORP will not be correctly reflected throughout the financial statements.</p>	<p>The estimated balances on the Collection Fund of the four billing authorities for Cleveland Police had been incorrectly netted off, instead of being shown as separate debtors and creditors- see Appendix 2.</p>

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# Value for money

**I am required to decide whether the Police Authority put in place satisfactory corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money conclusion. I have based my conclusion on my work on the scored use of resources judgement.**

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## Value for money conclusion

- 21 I assess your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. I have shown my conclusions on each of the areas in Appendix 5.
- 22 I intend to issue an unqualified conclusion stating that the Authority had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources. Appendix 1 contains my draft report.
- 23 The Authority and Force are managing spending within available resources while improving performance and increasing public satisfaction. Performance is now equal to or better than similar Authorities in most crime categories and for detection rates, and public confidence is high. Financial management and reporting is good.
- 24 The Authority recognises the need to reduce costs and deliver efficiency savings. The Authority and Force have improved value for money and service performance through partnerships with local authorities and the private sector. There is scope however to improve arrangements and evidence to show how the Authority has held the Force to account for the delivery of efficiencies. There has been little change in the areas of identified high spend for several years and Cleveland remained the fifth most expensive Authority per head of population.
- 25 Development of the procurement function is delivering significant savings with more savings likely in the future. There are good consultation arrangements that give a clear understanding of the diverse needs of local communities. Partnership working with the Councils and the private sector is effective and well established. However the Authority could further consider how it uses its capital programme investment to support its wider strategic objectives when evaluating projects.
- 26 The Authority and Force have relevant, reliable information to support decision making. Systems have been designed to improve mobile access and to improve accuracy and efficiency through better linkages between systems. Members have good access to these systems to aid them in their role although a lack of recorded scrutiny makes it difficult to determine the impact that performance data has on decision making.
- 27 The Force and Authority have prioritised development of their risk management arrangements and this is delivering improvements. The risk management strategy and registers are now linked to strategic priorities and include reference to partnerships. Risk management training has been undertaken by all members and is refreshed annually for officers. The Force and Authority risk registers are better aligned and risk management is fully integrated into business processes.

## Value for money

- 28 The Authority's governance arrangements remain strong, underpinned by clear policies on ethical issues. This policy is supported by the full range of expected processes and procedures, which are shown to be well publicised and have high levels of awareness amongst officers and members.
- 29 The Authority has committed to reducing its overall use of resources and has identified the significant resource areas, across all its major in-house operations and understands where it can most effectively intervene to reduce its use of natural resources.
- 30 The recent HMIC Police Inspection report concluded that the Authority was 'performing well'. The report acknowledges that the Authority has maintained a clear commitment to improve value for money, redirects resources to address operational risk and takes difficult decisions to secure long term gain. However it also notes that it is too early to tell the impact of these decisions and whether they are sufficient to meet the future financial challenges.

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# Glossary

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## Annual governance statement

**31** A statement of internal control prepared by an audited body and published with the financial statements.

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## Audit closure certificate

**32** A certificate that I have completed the audit following statutory requirements. This marks the point when I have completed my responsibilities for the audit of the period covered by the certificate.

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## Audit opinion

**33** On completion of the audit of the accounts, auditors must give their opinion on the financial statements, including:

- whether they give a true and fair view of the financial position of the audited body and its spending and income for the year in question;
  - whether they have been prepared properly, following the relevant accounting rules; and
  - for local probation boards and trusts, on the regularity of their spending and income.
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## Qualified

**34** The auditor has some reservations or concerns.

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## Unqualified

**35** The auditor does not have any reservations.

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## Value for money conclusion

**36** The auditor's conclusion on whether the audited body has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

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# Appendix 1 – Independent auditor’s report to Members of Cleveland Police Authority

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## Independent auditor’s report to the Members of Cleveland Police Authority

### Opinion on the accounting statements

- 1 I have audited the accounting statements, the police pension fund accounting statements and related notes of Cleveland Police Authority for the year ended 31 March 2010 under the Audit Commission Act 1998. The accounting statements comprise the Income and Expenditure Account, Statement of Movement on the General Fund Balance, Balance Sheet, Statement of Total Recognised Gains and Losses, Cash Flow Statement, and the related notes. The police pension fund accounting statements comprise the Pension Fund and the related notes. The accounting statements and police pension fund accounting statements have been prepared under the accounting policies set out within them.
- 2 This report is made solely to the members of Cleveland Police Authority in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 49 of the Statement of Responsibilities of Auditors and of Audited Bodies published by the Audit Commission in April 2008.

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### Respective responsibilities of the Treasurer and auditor

- 3 The Treasurer’s responsibilities for preparing the accounting statements, including the police pension fund accounting statements, in accordance with applicable laws and regulations and the Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice are set out in the Statement of Responsibilities.
- 4 My responsibility is to audit the accounting statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

- 5 I report to you my opinion as to whether the accounting statements, police pension fund accounting statements and related notes give a true and fair view, in accordance with applicable laws and regulations and the Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice, of:
- the financial position of the Authority and its income and expenditure for the year; and
  - the financial transactions of its police pension fund during the year and the amount and disposition of the fund’s assets and liabilities, other than liabilities to pay pensions and other benefits after the end of the scheme year.
- 6 I review whether the governance statement reflects compliance with ‘Delivering Good Governance in Local Government: A Framework’ published by CIPFA/SOLACE in June 2007. I report if it does not comply with proper practices specified by CIPFA/SOLACE or if the statement is misleading or inconsistent with other information I am aware of from my audit of the accounting statements. I am not required to consider, nor have I considered, whether the governance statement covers all risks and controls. Neither am I required to form an opinion on the effectiveness of the Authority’s corporate governance procedures or its risk and control procedures.
- 7 I read other information published with the accounting statements, the police pension fund accounting statements and related notes and consider whether it is consistent with the audited accounting statements, the police pension fund accounting statements and related notes. This other information comprises the Treasurer’s Introduction. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the accounting statements, the police pension fund accounting statements and related notes. My responsibilities do not extend to any other information.

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### **Basis of audit opinion**

- 8 I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounting statements, the police pension fund accounting statements and related notes. It also includes an assessment of the significant estimates and judgments made by the Authority in the preparation of the accounting statements, the police pension fund accounting statements and related notes, and of whether the accounting policies are appropriate to the Authority’s circumstances, consistently applied and adequately disclosed.
- 9 I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounting statements, the police pension fund accounting statements and related notes are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounting statements, the police pension fund accounting statements and related notes.

### Opinion

10 In my opinion:

- the accounting statements and related notes give a true and fair view, in accordance with applicable laws and regulations and the Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice, of the financial position of the Authority as at 31 March 2010 and its income and expenditure for the year then ended; and
- the police pension fund accounting statements give a true and fair view, in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice, of the financial transactions of the police pension fund during the year ended 31 March 2010 and the amount and disposition of the fund’s assets and liabilities as at 31 March 2010, other than liabilities to pay pensions and other benefits after the end of the scheme year.

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### Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

#### Authority’s Responsibilities

11 The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance and regularly to review the adequacy and effectiveness of these arrangements.

#### Auditor’s Responsibilities

12 I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Authority for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to relevant criteria specified by the Audit Commission for police authorities published in May 2008 and updated in October 2009. I report if significant matters have come to my attention which prevent me from concluding that the Authority has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Authority’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

### Conclusion

13 I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the criteria for police authorities specified by the Audit Commission and published in May 2008 and updated in October 2009, and the supporting guidance, I am satisfied that, in all significant respects, Cleveland Police Authority made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2010.

**Certificate**

14 I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Lynne Snowball

District Auditor

Audit Commission

Room 8

Lion Court

Hazard Drive

Wynyard

TS22 5FD

September 2010

# Appendix 2 – Amendments to the draft accounts

- 1 I identified the following misstatements during my audit and managers have made the necessary adjustments. I bring them to your attention to aid you in fulfilling your governance responsibilities.

**Table 2**

		Income and Expenditure Account		Balance sheet	
Adjusted misstatements	Nature of adjustment	Dr £000s	Cr £000s	Dr £000s	Cr £000s
Collection Fund	The estimated balances on the Collection Fund of the four billing authorities applicable for Cleveland Police were netted off, instead of being shown as separate debtors and creditors.			Debtors £44	Creditors £44
Creditors	Misclassification within the analysis of creditors shown at note 15 and note 34. The largest item is for £234k of balances due in respect of other Police Authority and Probation Board entities should be classified as 'local authority' rather than 'central govt' creditors.			Creditors - Govt Depts £248	Creditors - Other LA's £236 - Sundry creditors £12

## Appendix 2 – Amendments to the draft accounts

		Income and Expenditure Account		Balance sheet	
Adjusted misstatements	Nature of adjustment	Dr £000s	Cr £000s	Dr £000s	Cr £000s
PFI assets	<p>Initial valuation of the assets and liabilities of each PFI scheme was based upon the value of the PFI credits awarded instead of relevant capital costs from the operator's financial model.</p> <ul style="list-style-type: none"> <li>• Increase in amount of interest charged to income and expenditure account</li> <li>• Corresponding increase in the balance sheet PFI liability</li> <li>• Reduction in the Minimum Revenue Provision (MRP) charged to the Statement of Movement on the General Fund Balances (equal to the write down of the liability)</li> <li>• Reduction in the value of any historical impairment charges (as a result of the lower value of assets at the inception of the contracts)</li> <li>• Reduction in the value of depreciation charges in previous years</li> </ul>	Interest payable £ 660	MRP (SMGFB) £660	Capital Adjustment Account £660	PFI Liability £660
				PFI Liability £12,897	Capital Adjustment Account £12,897
				Capital Adjustment Account £1,304	PFI Liability £1,304

## Appendix 2 – Amendments to the draft accounts

		Income and Expenditure Account		Balance sheet	
Adjusted misstatements	Nature of adjustment	Dr £000s	Cr £000s	Dr £000s	Cr £000s
Pensions liability - disclosure note	Reduction in the estimated pension liability by £42 million as a result of the change to the basis of future annual pension increases from RPI to CPI added as a non-adjusting post balance sheet event.	n/a	n/a	n/a	n/a
Leased assets	Note 3 to the Statement of Accounts has been revised to include disclosure of the lease of land on which the Road Policing Unit is situated.	n/a	n/a	n/a	n/a

# Appendix 3 – Draft letter of representation

Lynne Snowball  
District Auditor  
Audit Commission  
Room 8, Lion Court  
Hazard Drive, Wynyard  
TS22 5FD

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## **Cleveland Police Authority - Audit for the year ended 31 March 2010**

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers of Cleveland Police Authority, the following representations given to you in connection with your audit of the Authority's financial statements for the year ended 31 March 2010.

### **Compliance with the statutory authorities**

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice which present fairly the financial position and financial performance of the Authority and for making accurate representations to you.

### **Supporting records**

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Authority have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Authority and Committee meetings, have been made available to you.

### **Going Concern**

I am satisfied that it is appropriate to adopt the going concern basis in the preparation of the financial statements and that the financial statements include, such disclosures, if any, relating to going concern.

## Appendix 3 – Draft letter of representation

### Irregularities

I acknowledge my responsibility for the design and implementation of internal control systems to prevent and detect fraud or error.

There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; or
- communications from regulatory agencies concerning non-compliance with, or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements; and
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

### Law, regulations, contractual arrangements and codes of practice

There are no instances of non-compliance with laws, regulations and codes of practice, likely to have a significant effect on the finances or operations of the Authority.

The Authority has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

### Fair Values

I confirm the reasonableness of the significant assumptions within the financial statements. For these assumptions, I confirm:

- the appropriateness of the measurement method;
- the basis used by management to overcome the presumption under the financial reporting framework;
- the completeness and appropriateness under the financial reporting framework; and
- subsequent events do not require adjustment to the fair value measurement.

### Assets

The following have been properly recorded and, where appropriate, adequately disclosed in the financial statements:

- losses arising from sale and purchase commitments;
- agreements and options to buy back assets previously sold; and
- assets pledged as collateral.

### Compensating arrangements

There are no formal or informal compensating balancing arrangements with any of our cash and investment accounts.

### Provisions and contingent liabilities

There are no other provisions and contingent liabilities, other than those that have been properly recorded and disclosed in the financial statements. In particular:

- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and
- no financial guarantees have been given to third parties.

### Related party transactions

I confirm the completeness of the information disclosed regarding the identification of related parties.

The identity of, and balances and transactions with, related parties have been properly recorded and where appropriate, adequately disclosed in the financial statements.

### Post balance sheet events

Since the date of approval of the financial statements by the Authority, no additional significant post balance sheet events have occurred which would require additional adjustment or disclosure in the financial statements.

The Authority has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

### Specific representations

There are no significant issues in respect of title; the rights and obligations of assets, particularly tangible fixed assets, disclosed in the accounts.

Members, who have not signed 'related party transaction' returns for the financial year 2009/10 have not got any such interests to disclose and therefore do not contravene statutory or financial reporting requirements.

### Appendix 3 – Draft letter of representation

Signed on behalf of Cleveland Police Authority.

I confirm that this letter has been discussed and agreed by the Authority on 29 September 2010.

Signed

Name

Position

Date

# Appendix 3 – Value for money criteria

<b>KLOE</b>	<b>Met</b>
<b>Managing finances</b>	
Planning for financial health	<b>Yes</b>
Understanding costs and achieving efficiencies	<b>Yes</b>
Financial reporting	<b>Yes</b>
<b>Governing the business</b>	
Commissioning and procurement	<b>Yes</b>
Use of information	<b>Yes</b>
Good governance	<b>Yes</b>
Risk management and internal control	<b>Yes</b>
<b>Managing resources</b>	
Natural resources	<b>Yes</b>
Strategic asset management	<b>n/a</b>
Workforce	<b>Yes</b>

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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.

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Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 0844 798 1212 Fax: 0844 798 2945 Textphone (minicom): 0844 798 2946

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