



AUDIT AND STANDARDS COMMITTEE

**MONDAY, 22 NOVEMBER 2010 AT 2.00 PM
IN CABINET ROOM C - COUNTY HALL**

NB If you have any queries regarding the Agenda papers or required any further information please contact Bev Wood on 01772 533486.

AGENDA

PART I (OPEN TO PRESS AND PUBLIC)

1 APOLOGIES FOR ABSENCE

2 DISCLOSURE OF MEMBERS INTERESTS

Members are asked to consider any personal/prejudicial interests they may have to disclose to the meeting in relation to any matters under consideration on the Agenda in accordance with the law, the Authority's Standing Orders and the Member Code of Conduct.

3 MINUTES OF THE MEETING HELD ON 7 JUNE 2010

Copy enclosed for confirmation.

4 MATTERS ARISING

ITEM FOR DECISION

5 ANNUAL AUDIT LETTER

The External Auditor's Annual Audit letter is attached.

ITEMS FOR INFORMATION

6 AUDIT COMMISSION - POSITION STATEMENT

A position statement on work undertaken by the Audit Commission in 2009/10 and 2010/11 is attached.

7 FUTURE PROVISION OF EXTERNAL AUDIT

A report on the future provision of External Audit is attached.

8 INTERNAL AUDIT MONITORING REPORT

An Internal Audit Monitoring Report for the period from 1 April 2010 to 31 October 2010 is attached.

9 CHANGES TO INTERNAL AUDIT OPINIONS AND RECOMMENDATION CATEGORISATIONS

A report relating to the introduction of revised internal audit opinions and recommendation categorisations.

10 CORPORATE GOVERNANCE ACTION PLAN 2010 - 2011

An update report/ revised action plan is attached.

REPORT TO FOLLOW.

11 HMIC THEMATIC REPORT - POLICE GOVERNANCE IN AUSTERITY

A HMIC thematic report into the effectiveness of police governance (dated October 2010) is attached.

REPORT TO FOLLOW.

12 OBSERVATIONS BY INDEPENDENT LAY MEMBERS AT AUTHORITY MEETINGS

Two reports regarding Lay Members' observations at recent meetings of the Police Authority and its Committees are attached.

13 DIP SAMPLING OF THE MEMBERS' REGISTER OF INTERESTS

In accordance with the Committee's agreed procedure, in order to test the "ethical temperature" of the Authority, two of the Independent Lay Members have randomly selected and reviewed two Members' Personal Interest forms immediately before the meeting. The results of this dip sampling exercise will be reported back to the Committee.

14 CODE OF CONDUCT ISSUES

The Monitoring Officer will provide a verbal update on any local issues arising since the last meeting.

15 PENDING STANDARDS FOR ENGLAND INVESTIGATIONS

The Monitoring Officer will update the Committee on any developments since the last meeting. (NOTE: this may involve the disclosure of exempt information, in which case the Committee should consider excluding the press and public.)

16 URGENT BUSINESS

An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any Member's intention to raise a matter under this heading.

17 DATE OF NEXT MEETING

The next meeting of the Committee is scheduled to be held at 2.00pm on Monday 28 February 2011.

18 EXCLUSION OF PRESS AND PUBLIC

The Committee is asked to consider whether, under Section 100A(4) of the Local Government Act, 1972, it considers that the press and public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraphs of Part I of Schedule 12A to the Act, as indicated against the heading to the items, and the public interest not to disclose it outweighs the public interest in disclosing it.

PART II (PRIVATE AND CONFIDENTIAL)

19 COMPLAINTS

(NOT FOR PUBLICATION – Exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972)

A report relating to control issues following a recent investigation by Internal Audit is attached.

REPORT TO FOLLOW

Miranda Carruthers-Watt
CHIEF EXECUTIVE

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AUDIT & STANDARDS COMMITTEE

MONDAY 7 JUNE 2010

AT 10.00AM IN CABINET ROOM D, AT COUNTY HALL, PRESTON

MINUTES

PRESENT:-

Mr D Soper - Chairman

Ms S Afzal

Mrs P Goulding

Mr B Jassi

County Councillor A P Jones

Ms J Pratt

Mr K Williams

IN ATTENDANCE

Ms M Carruthers-Watt	Chief Executive, Lancashire Police Authority
Mr I Cosh	Treasurer, Lancashire Police Authority
Mrs C Parmenter	Legal Services, Preston City Council
Mrs L Taylor	Head of Finance, Lancashire Constabulary
Mr S Pickup	Policy and Performance Officer, Lancashire Police Authority
Miss L Heath	Administration Officer, Lancashire Police Authority
Mr C Portman	Audit Commission
Mrs G Jones	Audit Commission
Mrs R Tanner	Principal Auditor, Internal Audit
Mrs J Taylor	Senior Auditor, Internal Audit

APOLOGIES FOR ABSENCE

Apologies for absence were presented on behalf of County Councillor Grunshaw.

APPOINTMENT OF CHAIR

01/10 RESOLVED:- That Mr Doug Soper be appointed as Chair of the Committee for 2010/11.

APPOINTMENT OF VICE CHAIR

02/10 RESOLVED:- That Mr Keith Williams be appointed as Vice Chair of the Committee for 2010/11.

MEMBERSHIP AND TERMS OF REFERENCE

Members received a report on the Membership and Terms of Reference for the Committee. The Chair welcomed Ms J Pratt to the Committee.

03/10 RESOLVED:- That the Membership and Terms of Reference for the 2010/11 be noted.

DISCLOSURE OF MEMBERS INTERESTS

No declarations of interest were made at the meeting.

MINUTES OF THE MEETING HELD ON 1 MARCH 2010

04/10 RESOLVED:- That the Minutes of the meeting held on 1 March 2010 be confirmed and signed by the Chair.

MATTERS ARISING

In respect of shared financial services, on page 2 of the Minutes, it was reported that it had been agreed to enter into a three year service level agreement with the County Council, work was still ongoing to finalise the service level agreement but it was planned to present this to the Chairman and Vice-Chairman of Resources for their consideration by the end of June 2010.

With regard to the work ongoing to improve the Authority's procedures for reviewing policies, it was reported that whilst a policy review timetable already existed, some further work needed to be undertaken to streamline the process.

In respect of training on local assessments, a training session had been held and had been well attended. A further, more general, training session for all Members was proposed to be held on the rise of a Police Authority meeting and it was suggested that the Standards for England DVD be shown during this session.

INTERNAL AUDIT ANNUAL REPORT 2009/10

The Internal Audit Annual Report for the period 1 April 2009 to 31 March 2010 was presented to the Committee for consideration.

Ms Carruthers-Watt withdrew from the meeting during consideration of this report.

The Committee noted that, overall, it was a positive report and an adequate level of internal control had been indicated for 2009/10 which was consistent with that reported in the 2008/09 Annual Report.

The report gave specific assurance on key issues such as the Constabulary's IMPACT programme, the programme was still ongoing; however it was found the arrangements were sound and well managed to date.

At the request of the Chair of the Authority, Internal Audit had investigated a complaint received by the Authority from a member of public and it was indicated that the review findings had been issued to the Chair for his consideration. The review contained a number of recommendations around the Authority's complaint process and the annual report recommended that general improvements to the Authority's complaints handling system should be included as an area of improvement on the 2009/10 Annual Governance Statement.

Mr Soper requested that once the Chair of the Authority had been able to consider the findings fully, a report on any control issues arising from the investigation be brought to the Audit and Standards Committee.

Discussion also took place on the mechanisms for reporting key issues arising from reviews to the Committee. The Principal Internal Auditor indicated that an improved grading system would be adopted in the near future which would provide the Committee with a better insight on the level of assurance from each Internal Audit review. It was also agreed that, in future, details of any recommendations of high importance should be detailed within the monitoring reports and the Committee should also be presented with details of follow up reviews in order to satisfy itself that any recommendations had been appropriately carried out.

05/10 RESOLVED:-

1. That the report be noted.
2. That a report on any control issues arising from the investigation into a complaint against Lancashire Police Authority be brought to the next meeting of the Audit and Standards Committee.
3. That details of any recommendations of high importance should be detailed within future internal audit monitoring reports.
4. That details of the outcomes of follow up reviews be presented in future to enable the Committee to satisfy itself that any recommendations had been appropriately carried out.

ANNUAL GOVERNANCE STATEMENT 2009/10

Regulations regarding Accounting and Audit required the Authority to conduct an annual review of the effectiveness of its systems of internal control/internal audit and publish a Statement on Internal Control within its Annual Statement of Accounts. Best practice guidance on good governance in policing now also required that this review be reported as part of an Annual Governance Statement (AGS), which made a broader assessment of the governance arrangements operating in the Authority and Constabulary. The proposed AGS for 2009/10 was presented to the Committee for consideration.

The production of the 2009/10 Annual Governance Statement had been informed by a process of certification which had required senior management within the Authority and Constabulary to verify that governance arrangements within their remit were operating adequately and effectively. This year, in accordance with new best practice guidance, two additional certificates had been issued to the Treasurer and Director of Resources regarding the governance requirements in place to support their roles as Chief Finance Officers. The Annual Governance Statement Sub Group had

reviewed the certificates and considered that the individual assurance certificates were consistent with each other and collectively represented an honest, fair and accurate evaluation of the Authority and Constabulary's governance arrangements, including the system of internal control, throughout the 2009/10 financial year. It was noted that work would be undertaken to create a shorter Annual Governance Statement for 2010/11.

06/10 RESOLVED:- That:

- 1) the outcome of the review of assurance certificates undertaken by the Annual Governance Statement Sub Group be noted.
- 2) the Annual Governance Statement be approved for inclusion in the Police Authority's Statement of Accounts for 2009/10.
- 3) the progress report on the 2009/10 corporate governance action plan be noted and those items still ongoing be carried forward onto the 2010/11 action plan.

POLICE AUTHORITY PARTNERSHIP POLICY AND TOOLKIT

The Committee considered a report on the development of a Partnerships Policy. Members noted that the Police Use of Resources Evaluation (PURE) evaluation 2008/09 had identified that whilst good outcomes from partnerships working were demonstrated by the Authority, there was scope to improve partnership governance arrangements. An initial exercise to map all the existing partnerships provided evidence of 42 partnerships with Authority resources of just over £220,000 being committed to these partnerships. Following the mapping exercise, a Partnership Policy and Toolkit had been produced and consultation with Members, officers, the Constabulary and key partners had been undertaken.

The policy had been tested against a sample range of existing partnerships and had provided results consistent with the type of partnership used.

Members welcomed the document and noted that most of the Authority's partnership expenditure related to funding for Community Safety Partnerships and was funded from council tax second homes discount and general funding from the Authority. The mapping exercise had not included an allocation of officer time and resources, and it was hoped that this could be quantified and included in the mapping of partnerships.

Members suggested several other minor amendments to the policy, particularly in relation to the descriptions of risks relating to partnerships included at Appendix E.

07/10 RESOLVED:-

1. That the work undertaken on partnership and associations mapping be noted.
2. That the Partnership Policy and Toolkit be recommended for approval by the Police Authority, subject to the minor amendments suggested.

GOVERNANCE ARRANGEMENTS AND MONITORING OF THE CONSTABULARY'S STRATEGIC PARTNERSHIPS

The Committee considered a position statement on the governance arrangements and monitoring of the Constabulary's Strategic Partnerships.

The Constabulary had approved a Strategic Partnerships Policy earlier in the year and the production of this policy had been overseen by the Joint Good Governance Working Group. The Strategic Partnerships had been mapped and a schedule of reviews was now being undertaken in priority order. The first two reviews were currently being finalised and would be reported to the Good Governance Working Group with any issues or risks being disseminated to Authority Committees as appropriate. It was indicated that the draft reports identified some financial risks, which whilst already known, had been more clearly quantified as a result of the reviews.

A Member queried what action was being taken to review more localised divisional level partnerships and it was reported that the Constabulary intended to review these partnerships once the reviews of Strategic Partnerships had been completed.

08/10 RESOLVED:- That the report be noted.

ANNUAL REPORT ON STANDARDS MATTERS 2009/10

The Committee considered an annual report on standards matters during 2009/10.

As part of its commitment to maintaining high standard of conduct, the Committee had previously agreed to produce an annual report on standards matters to demonstrate the work it had undertaken each year.

A Member queried if the Coalition Government had given any indication of its plans for the Standards Board for England. It was reported that no announcement had been made to date, but the Committee would be informed if any changes to the ethical standards framework were announced.

09/10 RESOLVED:-

1. That the annual report be agreed and recommended for presentation to the Police Authority.

POLITICALLY RESTRICTED POSTS

The Committee received a report the review of politically restricted posts following the changes to the political restriction regulations which had become effective on 12 January 2010.

10/10 RESOLVED:- That the report and revised lists of politically restricted posts within the Authority and Constabulary be noted.

AUDIT COMMISSION ANNUAL FEE LETTER 2010/11

The Audit Commission's fee letter setting out the proposed audit fee for 2010/11 was presented to the Committee.

The Committee was notified that confirmation had been received from the Audit Commission that the Government had stopped the Comprehensive Area Assessment (CAA) and Use of Resources regimes with immediate effect. Consequently, the Authority would not receive a score for the 2009/10 Police Use of Resources Evaluation (PURE). However, a value for money conclusion would still be issued in the annual governance report and, the Authority would be informed of strengths and areas of improvement from the PURE work which had been done. Members queried whether there would be any reduction in fee following the removal of PURE. The External Auditor indicated that the Audit Commission were looking into this at a national level, but the

majority of work had already been undertaken for 2009/10 and would be used to assist in determining the opinion on securing VFM. The Committee asked the Treasurer to write to the Audit commission on the fee issue.

Discussion took place on the likelihood of the police authority inspection process continuing. The current view was that any inspections scheduled for June would take place, but it was uncertain if any further reviews would be conducted after this.

11/10 RESOLVED:-

1. That the report be noted.
2. That the Treasurer write to the Audit Commission regarding the fee level as a result of the cessation of work on CAA and Use of Resources.

RISK MANAGEMENT FRAMEWORK FOR THE POLICE AUTHORITY

The Committee received a report on the Police Authority's arrangements for risk management and the Authority's Risk Register.

The Register had been streamlined to better reflect the key strategic risks to the Authority and the revised register had been considered by the Improvement Scrutiny Group at its meeting on the 2 June 2010. A slightly amended version was now tabled for Members consideration.

A Member queried if the risk associated with local and national political change should be graded as higher in response to the Government's plans to change police accountability structures and introduce directly elected individuals. Ms Carruthers-Watt explained that the Government were definitely going to change the police accountability landscape and it would be the Chief Executive's Office role to ensure the proposals were given effect. It was not felt that the Risk Register was the correct place to consider the advantages and disadvantages of the Government's proposals, the organisational risk centred upon how it could be managed and the Authority was confident it could manage any transition well. There was some concern over the ability to scrutinise during the period of change, but locally and nationally police authorities would try to inform thinking in this area.

11/10 RESOLVED:- That the report be noted.

ACTUAL ALLOWANCES PAID TO MEMBERS OF THE POLICE AUTHORITY IN 2009/10

The Committee considered a report on the actual allowances paid to Members of the Police Authority in 2009/10. It was reported that the figures from the Members' allowances system had now been cross referenced against the Oracle accounts system as part of the closure of accounts work. Several minor anomalies between the figures had been noted and Officers were currently ascertaining the correct position. It was suggested that the Treasurer be given authority to make any minor amendments to reflect the correct figures prior to the actual allowances being published on the Authority's website.

12/10 RESOLVED:-

1. That the report be noted.

2. That the Treasurer be given authority to make any minor amendments to reflect the correct figures, prior to the actual allowances paid to Members in 2009/10 being published on the Authority's website.

AUDIT COMMISSION POSITION STATEMENT

The Committee received a position statement from the Authority's External Auditors in relation to the audit work to be carried out in the 2009/10 audit year.

13/10 RESOLVED:- That the report be noted.

OBSERVATIONS BY INDEPENDENT LAY MEMBERS AT AUTHORITY MEETINGS

The Committee received a report from an Independent Lay Member following observations at a recent Authority meeting.

14/10 RESOLVED:- That: the report from the Lay Member's observations at a recent formal meeting of the Authority be noted.

DIP SAMPLING OF THE MEMBERS' REGISTER OF INTERESTS

In accordance with the Committee's agreed procedure, in order to test the 'ethical temperature' of the Authority, two of the Independent Lay Members of the Committee had randomly selected and reviewed two of the Members declaration of interest forms immediately before the meeting.

It was reported that the forms were generally in good order; one minor issue where a home address was missing had been noted. Following discussion it was agreed that, for Member's safety, the interest form should be amended so that Members did not need to include property addresses, but simply needed to state the number of properties they owned within the Police Authority area.

15/10 RESOLVED:- That the declaration of interest form be amended accordingly.

CODE OF CONDUCT ISSUES

It was reported that no local code of conduct issues had arisen since the last meeting.

16/10 RESOLVED:- That the position be noted.

PENDING STANDARDS BOARD INVESTIGATIONS

It was reported that no pending Standards Boards investigations had arisen since the last meeting.

17/10 RESOLVED:- That the position be noted.

DATE OF NEXT MEETING

18/10 RESOLVED:- That the next meeting of the Committee be held at 2:00pm on Monday 13 September 2010, at County Hall, Preston.

Miranda Carruthers-Watt
CHIEF EXECUTIVE



AUDIT & STANDARDS COMMITTEE

22 NOVEMBER 2010

PART I

FOR DECISION

2009/10 ANNUAL AUDIT LETTER

(Appendix 'A' refers)

Issue for Consideration

The District Auditor's 2009/10 Annual Audit Letter.

Information

The Committee's terms of reference include the receipt and consideration of external audit reports. The Annual Audit Letter for 2009/10 is attached for consideration at Appendix 'A'. The letter summarises for Members the more important matters arising from the audit for the 2009/10 financial year and has been discussed and agreed with the Authority's Chief Executive, Treasurer and the Constabulary's Director of Resources.

The Code of Audit Practice requires the finally agreed Annual Audit Letter to be issued by 30 November 2010, and accordingly, the 2009/10 letter has been issued by the District Auditor during November 2010. The Annual Audit Letter is an important means by which the public learn about the Authority's stewardship of public funds. Under Regulation 19 of the Accounts and Audit Regulations 2003, the Authority is now required:

- as soon as reasonably practicable following its receipt to publish the Annual Audit Letter
- to make copies of the letter available for purchase by any person on payment of a reasonable sum.

The publication of the 2008/09 Annual Audit Letter was undertaken by including a copy of the letter with the Minutes of the meeting and by publishing it on the Authority's website. It is suggested that this procedure is followed again.

Decisions Required

The Committee is asked to:

- (i) consider the Annual Audit Letter.
- (ii) to recommend that the Police Authority agrees to effect the publication of the Annual Audit Letter via the Authority's website and by the inclusion of the letter with the Minutes of the meeting.

Background Papers

Code of Audit Practice

Report Author

Name: Mr S Pickup

Organisation: Lancashire Police Authority



01772 533420

Annual Audit Letter

Lancashire Police Authority

Audit 2009/10

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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Key messages

This report summarises my findings from the 2009/10 audit. My audit comprises two elements:

- **the audit of your financial statements (pages 3 to 4); and**
- **my assessment of your arrangements to achieve value for money in your use of resources (pages 5 to 9).**

Audit opinion and financial statements

1 I issued an unqualified opinion on the Authority's financial statements on 29 September 2010. The financial statements were submitted for audit by the deadline of 30 June 2010. The financial statements did not contain any material errors.

Value for money

2 I assess your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. The Audit Commission specifies which of the use of resources KLOE are the relevant criteria for the VFM conclusion at each audited body.

3 I issued an unqualified conclusion on 29 September 2010 stating the Authority had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources.

Current and future challenges

4 Like all authorities, Lancashire Police Authority faces significant financial pressures. The full extent of necessary spending cuts will become clearer after the Autumn 2010 Spending Review and allocation of revenue grant funding for 2011/12 and beyond. The Authority needs to ensure that financial planning continues to identify and address any predicted shortfalls in funding.

5 2010/11 will see the implementation of International Financial Reporting Standards (IFRS) to local government accounts. This will require careful planning to ensure the required information is available to enable an efficient transition to the new financial reporting requirements.

Financial statements and annual governance statement

The Authority's financial statements and annual governance statement demonstrate how the Authority accounts for its stewardship of public funds.

I gave an unqualified opinion on the Authority's 2009/10 financial statements on 29 September 2010, within the statutory target date.

Overall conclusion from the audit

6 The financial statements were submitted for audit by the deadline of 30 June 2010. Good working papers supported the accounts and officers answered queries on a timely basis. The financial statements did not contain any material errors. There were a small number of errors over our trivial threshold of £64,570. These were reported to members in our Annual Governance Report on 28 September 2010 together with our recommendations.

7 I issued an unqualified opinion on the Authority's financial statements on 29 September 2010.

Internal control

8 I did not identify any significant weaknesses in your internal control arrangements.

International Financial Reporting Standards (IFRS) in local government

9 Local authorities are required to prepare financial statements on an IFRS basis from 2010/11 onwards. The Audit Commission has undertaken two surveys with local authorities to assess progress in preparing for the implementation of International Financial Reporting Standard in local government. The surveys indicated that the Authority is preparing well for the implementation of IFRS. I have no concerns about the Authority's progress towards IFRS which I need to bring to your attention at this time. The audit team will continue to liaise with officers to assess progress and share any good practice.

National Fraud Initiative

10 The Audit Commission plays an important role in the fight against fraud. It runs a data matching exercise every two years to help detect and prevent fraud: the National Fraud Initiative (NFI). The total fraud, overpayments and errors detected across the country in the latest completed exercise covering 2008/2009 amount to £215 million. Since the exercise began in 1996 cumulative national savings total £614 million.

11 The NFI is a data matching exercise comparing information held by different organisations, including some from the private sector, to identify potentially fraudulent claims and overpayments. Examples of data matching undertaken include pension payments being checked to records of deceased persons and council tax records being matched to the electoral register. The Authority participates in this bi-annual exercise. Savings in relation to the 2008/09 NFI exercise for the Authority total around £9,000 to date.

Value for money

I considered whether the Authority is managing and using its money, time and people to deliver value for money.

I assessed your performance against the criteria specified by the Audit Commission and have reported the outcome as the value for money (VFM) conclusion.

2009/10 use of resources assessments

12 At the end of May 2010, the Commission wrote to all chief executives to inform them that following the government's announcement, work on CAA would cease with immediate effect and the Commission would no longer issue scores for its use of resources assessments.

13 However, I am still required by the Code of Audit Practice to issue a value for money conclusion. I have therefore used the results of the work completed on the use of resources assessment up to the end of May to inform my 2009/10 conclusion.

14 I report the significant findings from the work I have carried out to support the vfm conclusion.

VFM conclusion

15 I assessed your arrangements to achieve economy, efficiency and effectiveness in your use of money, time and people against criteria specified by the Audit Commission. The Audit Commission specifies each year, which Key Lines of Enquiry (KLOE) are the relevant criteria for the VFM conclusion at each type of audited body.

16 This is a summary of my findings.

Table 1:

Criteria	Adequate arrangements?
Managing finances	
Planning for financial health	Yes
Understanding costs and achieving efficiencies	Yes
Financial Reporting	Yes
Governing the business	
Commissioning and procurement	Yes
Use of information	Yes
Risk management and internal control	Yes
Managing resources	
Natural Resources	Yes
Strategic asset management	N/A
Workforce	N/A

17 I issued an unqualified conclusion stating that the Authority had satisfactory arrangements to secure economy, efficiency and effectiveness in its use of resources. I reported the findings of my work in relation to the VFM conclusion to members in my Annual Governance Report on 28 September 2010 and this is set out below.

Managing Finances

18 The Authority has strong financial arrangements in place to support delivery of strategic objectives. Objectives reflect national priorities and local issues, identified through detailed community engagement with partners. It has sound financial health and a good track record of managing spending within budgets. There are clear links between strategic planning and service planning, with officers and members contributing to the planning process. The current financial strategy focuses on planning for future cuts in public spending, while continuing to make efficiency savings that will help protect investment in priority services such as neighbourhood policing (praised by

HMIC) and protecting people. Efficiencies need to be closely monitored to ensure they are delivered.

19 The Authority has a detailed understanding of comparative costs and spending. It makes good use of benchmarking and unit costs to challenge performance and vfm. Analysis and use of transaction costs is strong and has resulted in improved services and vfm. The Authority uses alternative service delivery models to increase capacity, improve performance and reduce costs. Joint planning and delivery of services is helping to deliver economies of scale and boost capacity. A planned programme of organisational service reviews is delivering improvements in areas such as fleet, property and purchasing. The Force's sustaining excellence programme introduced in 2008/09 is effective for reconfiguring services and securing value for money improvements.

20 Budgets are devolved and divisional commanders given the flexibility to engage with local people in their areas and shape local priorities. Expenditure is scrutinised by senior officers and members. Financial monitoring information for members and officers gives a clear identification of variances. Action plans bring spending back into line with the budget while delivering planned objectives and not impacting on other areas. The Authority and Force provide alternative formats of information to the community and have received positive feedback about this.

Governing the business

21 The Policing Plan sets out a clear vision and understanding of local policing priorities. The Plan shows a good understanding of diverse communities and targeted responses through neighbourhood policing are delivering benefits. Strong examples of working with partners are helping deliver improved outcomes locally. There is a clear link between commissioning and procurement and wider policing priorities. There are improvements in vfm from both strategic and low cost procurement.

22 Robust processes to oversee data quality integrate with business planning and management processes. A comprehensive and well resourced data quality audit programme has been in place for several years and is improving data quality. Information Management Strategy, Data Sharing Policies and a Disclosure Policy are in place. The Disclosure Policy was recognised as good practice and adopted as the national template in the Management of Police Information (MOPI) framework. The National Policing Improvement Agency assessed the Force as 90 per cent compliant with MOPI and the Force's own more recent assessment shows 97 per cent compliance. The Force is working towards full compliance with the Code of Connection (CoCo) for the Police National Database by late December 2010. Programmed encryption developments plan to achieve full encryption of the wide area network by the end of October 2010 together with the ability to encrypt all moveable electronic data.

23 The Authority and Force use performance data as part of routine performance monitoring arrangements to focus attention on under-performing service areas. The Police Authority receives quarterly information about performance against priorities via the performance bulletin. Action plans are integral to performance management and officers attend scrutiny committees to provide explanations for under-performance. This focus on under performance is helping to drive up service performance and value for money in key priority areas.

24 The Authority promotes the ethical agenda and has developed a joint assurance framework with the Force. A joint working group ensures compliance with the principles of good governance and oversee any developments. Members receive comprehensive training when they join the Authority including ethics training. The Police Authority and Force are clear about their joint goals and ambitions. Clear examples are available of them working together to achieve priorities.

25 Effective arrangements are in place to identify and manage risks across the organisation and corporately, including clear ownership of risk at all levels across the Force and the Authority. Anti fraud and corruption has a high priority. In 2009/10 partnership risk management arrangements were strengthened and a risk matrix produced for the Force's operational partnerships. There is a clear focus on managing performance and using risk management to help deliver required outcomes. Business continuity and emergency planning arrangements are effective.

Managing Resources

26 The Authority has a well established approach for reducing the environmental impact of its activities. It has received awards for its environmental efficiency work. Environmental impact audits identify the main causes of Co2 emissions. It has benchmarked energy efficiency with other Forces since 2006. Comprehensive energy and water use databases are in place. These identify the best and worst energy efficient buildings and the information used to target initiatives and inform disposal plans. Improvements include Lancashire's ranking for energy efficiency – Lancashire was ranked 23/43 forces in 2007 compared to 3/43 now. Water consumption is measured and benchmarked against best practice. It has achieved ISO 14001:2004 EMS accreditation. Since 2007, Co2 vehicle fleet emissions have fallen from 249g/km to 227g/km. It has introduced diesel cars across the board and has at least 5 per cent biodiesel content. Environmental sustainability awareness is strong across the organisation.

Approach to local value for money work from 2010/11

27 Given the scale of pressures facing public bodies in the current economic climate, the Audit Commission has been reviewing its work programme for 2010/11 onwards. This review has included discussions with key stakeholders of possible options for a new approach to local value for money (VFM) audit work. The Commission aims to introduce a new, more targeted and better value approach to our local VFM audit work.

28 My work will be based on a number of reporting criteria, specified by the Commission, concentrating on:

- securing financial resilience; and
- prioritising resources within tighter budgets.

29 I will determine a local programme of VFM audit work based on my audit risk assessment, informed by these criteria and my statutory responsibilities. I will no longer be required to provide an annual scored judgement relating to my local VFM audit work. Instead I will report the results of all my local VFM audit work and the key messages for the Authority in my annual report to those charged with governance and in my annual audit letter.

Current and future challenges

Current challenges

30 Like all authorities, Lancashire Police Authority faces significant financial pressures. The full extent of necessary spending cuts resulting from the Autumn 2010 Spending Review and allocation of revenue grant funding for 2011/12 and beyond needs to be assessed. The Authority needs to ensure that financial planning continues to identify and address any predicted shortfalls in funding. The Authority has sound financial arrangements in place that effectively support the delivery of strategic objectives. It is in good financial health and has a track record of managing spending within budgets.

Future developments

31 As set out earlier in this report, 2010/11 will see the implementation of international financial reporting standards to local government accounts. This will require planning to ensure the required information is available to enable an efficient transition to the new financial reporting requirements. The audit team continue to liaise with key finance staff on the key changes required and the plans in place to address them. Any good practice or other sources of advice will be shared as they become available.

Closing remarks

32 I have discussed and agreed this letter with the Chief Executive and the Treasurer. I will present this letter at the Audit and Standards Committee on 22 November 2010 and will provide copies to all authority members.

33 Full detailed findings, conclusions and recommendations in the areas covered by our audit were included in the reports I issued to the Authority during the year.

Table 2:

Report	Date issued
Opinion Audit Plan	March 2010
Annual Governance Report	September 2010

34 The Authority has taken a positive and helpful approach to our audit. I wish to thank Lancashire Police Authority staff for their support and cooperation during the audit.

Clive Portman

District Auditor

November 2010

Appendix 1 – Audit fees

	Actual	Proposed	Variance
Financial statements and annual governance statement (including Whole of Government Accounts)	52680	52680	0
Value for money	28000	28000	0
Total audit fees	80680	80680	0
Non-audit work	0	0	0
Total	80680	80680	0

Appendix 2 – Glossary

Annual governance statement

Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

It comprises the systems and processes, cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and where appropriate, lead their communities.

The annual governance statement is a public report by the Authority on the extent to which it complies with its own local governance code, including how it has monitored the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period.

Audit opinion

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.

Financial statements

The annual accounts and accompanying notes.

Qualified

The auditor has some reservations or concerns.

Unqualified

The auditor does not have any reservations.

Value for money conclusion

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 money, people and time.

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0844 798 7070

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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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AUDIT & STANDARDS COMMITTEE

22 NOVEMBER 2010

PART I

AUDIT COMMISSION POSITION STATEMENT

(Appendix A refers)

Issue for Consideration

A position statement from the Audit Commission on work undertaken in 2009 / 10 and 2010 / 11.

Information

The position statement attached at Appendix A provides a summary of the audit work undertaken in 2009/10 and work due to be undertaken for the 2010 / 2011 audit year.

Decision Required

The Committee is asked to note the report.

Background Papers

Nil

Report Author

Name: Mrs Georgia Jones

Organisation: Audit Commission



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Audit Update

Lancashire Police Authority

Audit 2009/10 and 2010/11

November 2010

DRAFT

Contents

Introduction

3

DRAFT

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:

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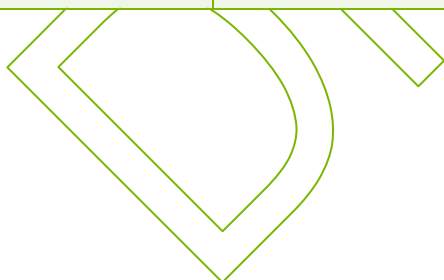
Introduction

- 1 The table below sets out the final work undertaken for the 2009/10 audit year and the work due to be undertaken for the 2010/11 audit year.

Table 1 Position Statement

Audit work	Work to be carried out	Date and nature of the output	Latest position
Financial Statements and vfm conclusion 2009/10	<p>Audit of the 2009/10 financial statements in compliance with International Standards on Auditing UK and Ireland (ISA UKIs).</p> <p>Review of the Annual Governance Statement to assess whether it has been presented in accordance with relevant requirements.</p>	<p>Audit opinion by 30 September 2010.</p> <p>Annual Governance Report to be issued once the audit is complete.</p>	<p>An unqualified audit opinion was given on 29 September 2010.</p> <p>An unqualified vfm conclusion was given on 29 September 2010.</p> <p>The Annual Governance Report was presented to the Police Authority on 28 September 2010.</p>
Audit 2010/11			
Planning and Management 2010/11	<p>Initial planning January to March 2010.</p> <p>Update planning on an ongoing basis.</p>	<p>Detailed opinion plan to be issued to the March 2011 Audit & Standards Committee.</p>	<p>Ongoing discussions with officers will enable us to update our planning as appropriate.</p>
Financial Systems	<p>We will continue to work with Internal Audit to ensure appropriate work is carried out on all material systems that provide figures in the financial statements,</p>	<p>Report to be issued if required.</p>	<p>Work to be completed January - February 2011.</p>

Audit work	Work to be carried out	Date and nature of the output	Latest position
	so that we can continue to place reliance on Internal Audit.		
Value for Money Conclusion.	Conclusion on whether the authority has adequate arrangements for securing economy, efficiency and effectiveness in its use of resources.	Value for Money conclusion to be issued by 30 September 2011. Findings will be reported in our Annual Governance Report.	Work to be undertaken February to March 2011.
Financial Statements	<p>Audit of the 2010/11 financial statements in compliance with International Standards on Auditing UK and Ireland (ISA UKIs).</p> <p>Review of the Annual Governance Statement to assess whether it has been presented in accordance with relevant requirements.</p>	<p>Audit opinion by 30 September 2011.</p> <p>Annual Governance Report to be issued once the audit is complete.</p>	Work to take place July - August 2011.





Lancashire
POLICE AUTHORITY
Your County, Your Police, Your Say

AUDIT & STANDARDS COMMITTEE **22 NOVEMBER 2010**

PART I

FUTURE PROVISION OF EXTERNAL AUDIT

Issues for Consideration

An update on the future provision of external audit to the Authority.

Information

On 13 August 2010, Eric Pickles, the Secretary of State for Communities and Local Government (CLG) announced plans to disband the Audit Commission. The intention is to have new arrangements in place for auditing England's local public bodies by 2012/13.

The Audit Commission currently appoints auditors to police authorities, councils, NHS bodies (excluding NHS Foundation trusts) and other local public services in England. The auditors appointed are employees of either the Audit Commission or one of the private audit firms. The Police Authority's auditors are currently employees of the Audit Commission.

The Audit Commission's responsibilities for overseeing and delivering local audit and inspections will stop, as will its research activities and audit work will move to the private sector. Ways of transferring the Audit Commission's existing in-house audit practice into the private sector are currently being considered. The Audit Commission is working with government and other key stakeholders to help design and implement the new arrangements.

The Audit Commission will remain responsible for the 2011/12 audit of local public bodies and expects to close around December 2012. This timetable has yet to be confirmed and depends on the necessary legislation being passed. However, it is likely that the Audit Commission will remain as the Authority's external audit provider up until the point of transfer to the new police accountability model.


Decisions Required

The Committee is asked to note the report.

Background Papers

None

Report Author

Stephen Pickup
Lancashire Police Authority
 01772.533420



AUDIT & STANDARDS COMMITTEE

22 NOVEMBER 2010

PART I

INTERNAL AUDIT MONITORING REPORT 2010/11 PERIOD ENDED 31 OCTOBER 2010

(Appendix A refers)

Issue for Consideration

The Internal Audit Monitoring Report for the period from 1 April to 31 October 2010.

Information

The terms of reference for this Committee include the duty to consider internal audit's major findings and management's responses to them.

The report at Appendix A provides a brief summary of internal audit activity during the first seven months of the 2010/11 financial year.

Decision Required

The Committee is asked to note the report.

Background Papers

Internal Audit Plan 2009/2010 – Audit & Standards Committee, March 2010

Report Author

Name: Rachel Tanner
Rank: Principal Auditor
Organisation: Lancashire County Council ☎ 01772 534904

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Appendix A

Lancashire Police Authority

Internal Audit Service

Monitoring report for the period 1 April to 31 October 2010

1 Introduction

Purpose of this report

- 1.1 The Audit Committee agreed the Annual Audit Plan for 2010/11 on 1 March 2010. This report details the progress to date in undertaking the agreed coverage and highlights any significant issues from the audit work performed in this period.
- 1.2 This report covers the period 1 April 2010 to 31 October 2010.

Acknowledgements

- 1.3 We are grateful for the assistance that has been provided to us by all the Police Authority and Constabulary staff contacted in the course of our work.

2 Key issues and themes arising

- 2.1 From the internal audit work undertaken to date, no key issues have been identified that have implications for the Police Authority and Constabulary's internal control environment as a whole.

3 Internal audit work undertaken

- 3.1 Details of the work carried out for the period to 31 October 2010 and the planned timing of reviews during the year for each of the areas are set out in the summary table attached. This shows that 78 days have been spent to date in delivering the audit plan, which includes the completion of work commenced in 2009/10.
- 3.2 Due to the resources required to undertake a special investigation in 2009/10, it was necessary to defer a number of audits from the previous year's plan to be completed as part of the 2010/11 audit plan. Of the total, 25 days relate to the completion of audit reviews deferred from 2009/10.
- 3.3 Although this does not equate to the expected level of activity on an equal spread of work throughout the year, a timetable for delivery of the audit plan has been agreed with appropriate members of the Constabulary and Authority staff. The work is weighted towards the second half of the financial year to enable sufficient time to allow prior year recommendations, where appropriate, to be implemented and the results then subject to testing.

Core financial systems

- 3.4 The report of our work on fixed assets was issued in September 2010. We are able to provide substantial assurance over the management of fixed assets.
- 3.5 The management and valuation of properties is comprehensive, which includes an up to date schedule of properties which are valued every five years in accordance with accounting standards. In addition, fixed asset registers are comprehensive and are reconciled on an annual basis.

- 3.6 We did identify a number of areas where controls could be strengthened, specifically in relation to the disposal of assets. Our testing identified a lack of separation of duties for the disposal of vehicles, and the absence of a full audit trail for the disposal of IT assets. We have made recommendations to management to address these specific issues.
- 3.7 Our fieldwork is complete for the reviews of debtors, creditors and general ledger and the draft reports will be issued before the end of November. We have agreed the terms of reference for our reviews of the pension administration and treasury management systems and work will commence in January 2011.
- 3.8 We have agreed the timing of all the remaining core financial system reviews with members of the Constabulary and Authority staff and these are indicated in the attached summary.

Operational reviews

- 3.9 As indicated in our previous progress report our work on covert bank accounts concluded that the system is adequately designed and effectively operated and no significant issues were identified to bring to the attention of the Audit and Standards committee members.
- 3.10 Work has been undertaken to provide an audit certificate in respect of the final 2009/10 Drug Intervention Programme grant claim for Western Division. Our review confirmed that costs claimed in relation to this programme were appropriate and free from material misstatement.
- 3.5 Terms of reference have been agreed for our audit of interpreter fees, which is scheduled for completion later in quarter 4. It has been agreed to start the review of the business continuity planning arrangements in November 2010, and the budget monitoring review will start in January 2011.

Special investigations

- 3.6 At the request of the Chair of the Police Authority we investigated a complaint received by the Police Authority from a member of the public; 17 days have been spent finalising this investigation during the period, which has involved presenting the findings of the review to officer and member committee meetings.

4 Summary of findings

Overall summary and assurance provided

- 4.1 We have set out in the table on pages 4 to 6 below a brief summary of each review undertaken during the period. This sets out the planned and actual days we have spent on each review, and a summary of the assurance we have been able to provide in relation to each system or operational area of your business.
- 4.2 We have distilled this assurance into an assessment of the adequacy of each system, and its effectiveness in operation.

- 4.3 The table below indicates briefly with simple ticks (✓) and crosses (x) our overall assessment of each system we have reviewed during the year and the assurance you may take from its operation in supporting effective internal control.
- 4.4 The same table shows the number of audit days we planned to undertake for you according to our plan, the number of actual days input to this work, and the variation between planned and actual days.

Summary of our findings and assurance

Review area	Audit days			Assurance		Key issues/ comments
	Planned	Actual	Variation	Adequacy	Effectiveness	
Core financial systems						
Banking/treasury management	10	2	8	-	-	Terms of reference have been agreed and work is scheduled for January 2011, in order to take account of the newly introduced system in this area.
Debtors	15	9	6	-	-	Fieldwork is complete and a draft report will be issued in November.
Creditors	15	8	7	-	-	Fieldwork is complete and a draft report will be issued in November.
General ledger	10	8	2	-	-	Fieldwork is complete and a draft report will be issued in November.
Payroll and human resources	15	-	15	-	-	Work is scheduled for the beginning of quarter 4.
Expenses	10	-	10	-	-	Work is scheduled for the beginning of quarter 4.
Pensions	10	1	9	-	-	Terms of reference have been agreed and work is scheduled for January 2011, to take account of the newly introduced pensions administration system.
Follow up reviews	5	-	5	-	-	Follow up of recommendations made during the 2009/10 audit reviews of the core financial systems will be followed up as part of our work on the 2010/11 core financial systems. Separate follow up of the recommendations made as part of the 2009/10 operational reviews is scheduled for quarter 4.

Lancashire Audit Service
Lancashire Police Authority progress report for the period ended 31 October 2010

Operational reviews						
Budget monitoring	20	-	20	-	-	Work is scheduled for January 2011.
Business continuity planning	25	1	24	-	-	Work is scheduled for November 2010. Time to date relates to preliminary work.
Interpreter costs	15	2	13	-	-	The terms of reference for this review have been agreed. As the contract only went live in August 2010, fieldwork is scheduled for quarter 4.
Deferred audit reviews from 2009/10 programme						
Covert bank accounts	-	9	(9)	✓	✓	No significant issues were raised.
				We are able to provide substantial assurance		
Fixed assets	-	16	(16)	✓	✓	The draft report was issued in September. Recommendations were made to enhance the controls in place for disposal of assets.
				We are able to provide substantial assurance		
Other areas						
Attendance at meetings and liaison	8	4	4	-	-	This time covers attendance at Audit Committee as well as regular update meetings with senior management of the Police Authority and the Constabulary.
Central reporting	5	3	2	-	-	This allocation covers the time required for the Committee reporting process, including the 2009/10 annual report as well as preparing the regular monitoring reports.
Contingency	10	7	3	-	-	This allocation covers ad hoc advice and assistance to the Police Authority and Constabulary. Time to date includes the production of a certificate following examination of the 2009/10 Drug Intervention Programme grant returns. Our audit confirmed that costs claimed in relation to the Drug Intervention Programme were appropriate and free from material misstatement. In addition, our work on NFI data collection is also included here.

Lancashire Audit Service

Lancashire Police Authority progress report for the period ended 31 October 2010

Support to management	5	4	1	-	-	This time relates to advice on governance arrangements and attendance at the good governance working group, to prepare the 2009/10 Annual Governance Statement.
Liaison with Audit Commission/ HMIC	2	1	1	-	-	This time relates to liaison meetings with the Audit Commission.
General management	5	3	2	-	-	This relates to the day to day management of the Police Authority audit plan.
Total	185	78	107			
Special investigations						
Complaint from a member of the public	-	17	(17)	-	-	This time relates to the finalisation of a special investigation commenced in 2009/10 which includes attendance at officer and member committee meetings to present and discuss the findings of the report issued in April 2010.

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AUDIT AND STANDARDS COMMITTEE

22 NOVEMBER 2010

CHANGES TO INTERNAL AUDIT OPINIONS AND RECOMMENDATION CATEGORISATIONS

Issue for consideration

The introduction of revised internal audit opinions and recommendation categorisations.

Information

This paper sets out the revised internal audit opinions and recommendation categorisations that are to be used by the Authority's internal audit service in reporting the conclusions on individual audit reviews conducted as part of the 2010/11 audit programme.

The key change we have made is the introduction of four specific levels of assurance in relation to our opinion on the adequacy and effectiveness of the underlying processes and controls that have been examined. In our opinion, the revised assurance levels will provide a greater degree of consistency of reporting than previously.

The assurance we can provide over any area of control will now fall into one of four categories as follows:

Full assurance: There is a sound system of internal control which is adequately designed to meet the Constabulary and Police Authority's objectives and is effective in that controls are being consistently applied.

Substantial assurance: There is a generally sound system of internal control, adequately designed to meet the Constabulary and Police Authority's objectives, and controls are generally being applied consistently. However some weakness in the design and/ or inconsistent application of controls put the achievement of particular objectives at risk.

Limited assurance: Weaknesses in the design and/ or inconsistent application of controls put the achievement of objectives at risk.

No assurance: Weaknesses in control and/ or consistent non-compliance with controls could result/ has resulted in failure to achieve objectives.

In raising audit recommendations in our reports we have now amended the wording of our categorisations to more clearly identify the residual risk to which the Constabulary and Police Authority are exposed. Additionally, we have introduced a further level of 'extreme' residual risk. Our recommendations are therefore defined as 'extreme', 'high', 'medium' or 'low' in relation to the residual risk they are designed to address.

Extreme residual risk: Critical and urgent in that failure to address the risk could lead to one or more of the following occurring: catastrophic loss of the Constabulary and Police Authority services, loss of life, significant environmental damage or huge financial loss, with related national press coverage and substantial damage to the Constabulary and Police Authority's reputation.

High residual risk: Critical in that failure to address the issue or progress the work could lead to one or more of the following occurring: failure to achieve organisational objectives, disruption to the business, financial loss, fraud, inefficient use of resources, failure to comply with law or regulations, or damage to reputation.

Medium residual risk: Less critical, but failure to address the issue or progress the work could impact on operational objectives and should be of concern to senior management.

Low residual risk: Areas that individually have no major impact on achieving objectives or on the work programme, but where combined with others could have an effect at the process level, which could give cause for concern.

Decision required

The Committee is asked to note the changes.

Background papers

Nil.

Report Author

Name:	Judith Taylor	
Rank:	Senior Auditor	
Organisation:	Lancashire Audit Service	01772 534948



AUDIT AND STANDARDS COMMITTEE **22 NOVEMBER 2010**

PART I

OBSERVATIONS BY INDEPENDENT LAY MEMBERS AT AUTHORITY MEETINGS

Issue for Consideration

Reports from Independent Lay Members following observations at recent Authority meetings.

Information

At its meeting in March 2009, the Committee agreed a procedure to enable Lay Members to observe formal meetings of the Authority throughout the year to ensure Members conduct themselves in an ethical manner at meetings.

Lay Members have recently observed the following meetings and reports from their observations at these meetings are attached at Appendix A for consideration:

- Professional Standards and Citizen Focus Committee on 17 June 2010 – Mr D Soper
- Human Resources Committee on 23 June 2010 – Mrs P Goulding

Decisions Required

The Committee is asked to note the reports from Lay Members' observations at recent formal meetings of the Authority.

Background Papers

Item 7 – Lay Member Observations at Meetings – Audit and Standards Committee, 2 March 2009.

Report Author

Name: Stephen Pickup
Organisation: Policy & Performance Officer, Lancashire Police Authority

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AUDIT AND STANDARDS COMMITTEE

INDEPENDENT LAY MEMBER OBSERVATION OF MEETINGS

MEETING OBSERVED: PROFESSIONAL STANDARDS AND CITIZEN FOCUS COMMITTEE – 17 JUNE 2010

INTRODUCTION

At the Audit and Standards Committee Meeting on 17th November 2008 it was proposed that a short programme of Independent Members observing different authority meetings be undertaken. The main purpose of this is to promote high ethical standards within the Authority, and the Independent Members involved would provide after each visit a short report back to the Audit & Standards Committee.

I attended a meeting of the Professional Standards and Citizen Focus Committee Meeting held at County Hall on 17th June 2010.

AGENDA

The agenda and papers were sent to members in good time on 9th June and were also available on the public website prior to the meeting. The agenda comprised nineteen items in total with the majority of these being for information/discussion rather than decision. The final two items were listed for consideration following exclusion of press and public.

There was a minor hiccup in that the time on the agenda was a 1PM start whereas the correct time included within the covering invitation to members was 1.30PM. The chairman apologised for this at the start of the meeting and the cause was related to some new Committee software being used.

ATTENDANCE

The Committee comprises nine members of the Police Authority and is quorate with five members present. The majority of the meeting was attended by five members and apologies were given by or on behalf of the four absent members. For the final two items of the meeting only four members were present and therefore the meeting was not quorate. However as the two items were a verbal update and a report on legal issues, no decisions were required on this occasion. The meeting was fully supported by three Police Authority Officers and seven Constabulary representatives. No members of the public were present.

CONDUCT OF THE MEETING

The meeting commenced promptly and lasted a little over two hours in total. The meeting was well chaired with members being given appropriate opportunity to declare interests. The conduct of the members and officers present was exemplary and there were no matters which caused me any concern. The meeting was conducted in an efficient, friendly manner and all members wishing to make a contribution to any item were able to do so either in terms of raising questions or comments. Points made were carefully listened too and in my view appropriate, relevant responses were made to the points raised.

Members and officers were treated with respect throughout the meeting, and in my opinion all members present complied throughout the meeting with the ten general principles of public life which underpin the Authority's Code of conduct.

From a personal perspective I found the meeting very interesting and felt it helped broaden my knowledge around the operation of the Authority.

REPORT AUTHOR

Douglas Soper
Independent Lay Member, Audit & Standards Committee
Lancashire Police Authority
21st June 2010



AUDIT AND STANDARDS COMMITTEE

INDEPENDENT LAY MEMBER OBSERVATION OF MEETINGS

MEETING OBSERVED: HUMAN RESOURCES COMMITTEE – 23 JUNE 2010

AGENDA

The Agenda was issued on 15 June 2010; including the minutes of the last meeting and the majority of papers. An agenda of 19 items in total; matter 8 for decision and 9 to 19 for information.

ATTENDANCE

Including the Chairman, ten members of the Authority were present. The meeting was supported by seven officers from the Authority and Constabulary and myself. The membership of this Committee is ten and is quorate with five members present.

BUSINESS OF MEETING

The Meeting started promptly at 10.00, Chaired by County Councillor Jones. The meeting closed at 11.54.

CONDUCT OF THE MEETING

The Chair asked if any Member wished to declare a personal or prejudicial interest in any item on the agenda; no interest was declared and no item on the agenda suggested that any Members may have an interest. The meeting was well controlled by the new Chairman, who ensured all members got the opportunity to speak in turn. When an item needed agreement he clearly ensured that all Members were in agreement. He thanked Officers from the Authority and Constabulary as appropriate.

The meeting ran smoothly and efficiently, with all present treated with respect during the proceedings. One member left the room for two minutes to take an urgent telephone call. In my opinion all members present complied with the ten principles of public life.

Item 18 was in Part 2, although no press and public were present, the Chair did consider this and agreed that as I am an independent lay member I could stay.

The meeting was declared closed by the Chairman at 11.54 and members thanked for attending.

REPORT AUTHOR

Paula Goulding
Independent Lay Member Audit and Standards Committee - Lancashire Police Authority
30th June 2010

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