

## **CLEVELAND POLICE AUTHORITY EXECUTIVE**

The Annual General Meeting of Cleveland Police Authority Executive was held on Thursday 14 June 2007 in the Mandela Room at Middlesbrough Town Hall.

**PRESENT:** Councillors Barker, Coppinger, Kirton, Lanigan, Lowes, McLuckie, Pearson, Tumilty and Wallace

Magistrate Members  
Mr Cox JP, Mr Fisher JP and Mr McGrory JP

Independent Members  
Miss Andrews-Mawer, Mr Coombs, Mr Hanif and Mr Race

**OFFICIALS:** Mrs Hall and Mr Pickard (CC)  
Mr McCarthy, Mrs Llewellyn, Mr Wright, Dr Cameron and Mrs Leng (CE)

### **1 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mr Price and Mr Hogg.

### **2 DECLARATIONS OF INTERESTS**

There were no declarations of interests.

### **3 APPOINTMENT OF CHAIR AND VICE CHAIR**

Nominations and seconders for the role of Chair and Vice Chair had been submitted to the Chief Executive in accordance with Standing Orders.

The Chief Executive confirmed that he had only received one nomination for the position of Chair and one for the position of Vice Chair. The Chief Executive therefore asked Members to agree to vote by show of hands rather than a secret ballot. This was agreed and Councillor Dave McLuckie was nominated and seconded and unanimously voted as Chair for the forthcoming year. Mr Chris Coombs was nominated and seconded and unanimously voted as Vice Chair for the forthcoming year.

**ORDERED** that:-

1. Councillor Dave McLuckie be appointed Chair for the ensuing year.
2. Mr Chris Coombs be appointed Vice Chair for the ensuing year.

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#### **QUESTION AND ANSWER SESSION**

No questions were received from the public.

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#### **COUNCILLOR MEMBERSHIP AND NOMINATIONS FOR ANSWERING QUESTION AT COUNCIL MEETINGS**

The Chief Executive reported the decision that had been made by the Police Authority Joint Committee held on 7 June 2006 regarding the elected membership of the Police Authority. The Police Joint Committee also agreed that the Councillor Members from the four Unitary Authorities be elected to serve as Police Authority Members for a period of four years.

**ORDERED** that:-

1. Members note that the following Councillors be appointed to the Police Authority:-
  - **Hartlepool** – Councillor Caroline Barker, Councillor Steve Wallace and Councillor Victor Tumilty
  - **Middlesbrough** – Councillor Barry Coppinger, Councillor Ron Lowes and Councillor Hazel Pearson OBE
  - **Redcar and Cleveland** – Councillor Mary Lanigan and Councillor Dave McLuckie
  - **Stockton** – Councillor Paul Kirton
2. Members noted that it was agreed at the Police Joint Committee on Thursday 7 June 2007 that these appointments would be for a period of four years.

3. The above Councillors be appointed as representatives to answer questions on the discharge of the function of the Police Authority at meetings of their relevant councils be agreed.

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## **FROM SUCCESS TO EXCELLENCE**

The Chief Executive presented the report to Members. This report followed on from the previous framework and vision from "Survival to Success" which saw the leadership team restructure the decision making processes of the Authority around the creation of 5 new panels to replace the existing executive structure.

It was identified that there was an increasing need for efficiency in the decision making process to enable the Police Service and Police Authority to discharge their responsibilities building upon what had been achieved over the last two years.

### **ORDERED that:-**

1. the following new committee structure be agreed:-
  - Police & Resources / Corporate Development
  - Strategic Policing & Performance
  - Audit & Internal Control
  - Community Protection
  - Complaints
  - Leadership Board
2. the new committee structure be operative with immediate effect.
3. all the committees within the new decision making process have delegated plenary powers in line with the Local Government Act 1972 Section (101) be agreed.
4. the Chair and Vice Chair of the Committees as detailed in Appendix A to the report be noted.
5. the appointments to outside bodies as outlined in Appendices B and D to the report be noted.

6. the appointment of Chairs / Vice Chairs of the Committees and appointments to outside bodies would be periodically reviewed by the Chair of the Authority be noted.
7. the Chairs and Vice Chairs of the committees work up the full remit / terms of reference at the earliest opportunity and report these back to the main Police Authority.

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### **CLEVELAND POLICE AUTHORITY SINGLE EQUALITY SCHEME 2007 – 2010**

The Strategy and Performance Manager presented the Cleveland Police Authority Single Equality Scheme for approval.

**ORDERED** that the Cleveland Police Authority Single Equality Scheme 2007 – 2010 attached at Appendix A to the report be approved. This scheme encompassed all 6 strands of diversity, including the statutory Equality Impact Assessments of policies and procedures and enabled Cleveland Police Authority to comply with the legal requirement regarding the publication of a Gender Equality Scheme.

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### **SERVICE IMPROVEMENT AND BEST VALUE**

The Strategy and Performance Manager reported on the first Service Improvement Steering Group meeting and sought authority to implement the recommendations of the Best Value Reviews of Cleveland Police Authority and Facilities Management.

**ORDERED** that:-

1. the renaming of the Best Value Steering Group to the Service Improvement Steering Group be noted. This group would assume responsibility of the monitoring and reporting on progress with the implementation of recommendations from current Best Value Reviews and for future service improvement initiatives based upon a themed modernisation agenda.

2. the minutes of the first Service Improvement Steering Group held on 19 April 2007 attached at Appendix A to the report be noted.
3. the contents of the Best Value Review of Cleveland Police Authority be noted and the implementation of the recommendations of this review attached at Appendix B to the report be authorised. These recommendations would be taken forward by the Chief Executive and incorporated within the Officer and Member PDR process for 2007 as appropriate.
4. the contents of the Best Value Review of Facilities management be noted and the implementation of the recommendations of this review attached at Appendix C be authorised.

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#### **POLICE AUTHORITY SERVICE IMPROVEMENT PLAN**

The Head of Strategy and Performance reported on progress with the Police Authority Service Improvement Plan 2006 – 2009 and sought approval for the Service Improvement Plan 2007 – 2010.

**ORDERED** that:-

1. the progress made against the Detailed Service Programme 2006 – 2009 attached at Appendix A to the report be noted.
2. the Service Improvement Plan for 2007 – 2010 attached at Appendix B be agreed. Items for 2007/08 are denoted as priority H (high) and those for 2008/09 and 2009/10 are denoted as priority M (medium).
3. Members receive an update on performance against the plan on a quarterly bases be agreed.

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#### **THE LOCAL AUTHORITIES (MODEL CODE OF CONDUCT) ORDER 2007 (SI NO 1159)**

The Monitoring Officer notified Members of the revised code of conduct which would apply to all Members of defined public authorities from 3 May 2007.

The new code consolidated and replaced the four separate model codes for Members of Principal Authorities, Parish Councils, the National Parks & Broads Authorities and Police Authorities.

**ORDERED** that:-

1. The Code of Conduct attached at Appendix B to the report be formally adopted and its incorporation into the framework for Corporate Governance be agreed.
2. all Members of the Police Authority would be required to sign a form of undertaking in relation to the revised code be noted.

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#### **REVENUE OUTTURN 2006 / 07**

The Assistant Chief Officer Finance and Commissioning set out the year end position against the revenue budget for 2006/07 in the sum of £114,975k which was approved by members at their meeting on 23 February 2006.

**ORDERED** that:-

1. the revenue outturn position for 2006/07 of an £8k underspend which is in line with forecasts be noted.
2. these results were presented subject to audit and that any future amendments resulting from the audit would be presented to a future Authority meeting.

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#### **CAPITAL OUTTURN 2006/07**

The Assistant Chief Officer Finance and Commissioning presented the year end position against the Capital Programme totaling £7,633k which was approved by

members at their meeting on 23 February 2006.

Members were notified of one amendment to the report in Appendix A – HQ Lift Up grade should read 'Pending an agreed timescale'.

**ORDERED** that:-

1. the capital outturn position for 2006/07 be noted.
2. these results were presented subject to audit and that any amendments resulting from audit would be presented to a future meeting.
3. the carry forward of funding totaling £4,196k to 2007/08 to complete schemes in progress be approved.
4. the carry forward of unallocated funding of £337k to fund new projects be approved.

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### **TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS OUTTURN 2006/2007**

The Assistant Chief Officer Finance and Commissioning provided details of Treasury Management performance in 2006/07. This report provided details of performance against the Prudential Indicators for 2006/2007, approved by Members on 23 February 2006.

**ORDERED** that:-

1. the key indicators, including keeping with the Authorised & Operational Limits for External Debt were delivered, and the Authorities Treasury Management Activities were carried out in a prudent and sustainable manner be noted.

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### **THE STATEMENT OF INTERNAL CONTROL 2006/2007**

The Chief Executive presented the Statement on the System of Internal Control 2006/2007. The Performance and Audit Panel had considered the draft Statement of

Internal control 2006/2007 at its meeting on 8 February 2007. Further work was then undertaken by Officers to produce the final version attached at Appendix A to this report. This final version was considered by the Performance and Audit Panel at its meeting on 30 May 2007 and it was agreed at that meeting that the final version should be submitted to the Police Authority Executive for approval.

**ORDERED** that the Statement of Internal Control attached as Appendix A to the report be approved.

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### **STATEMENT OF ACCOUNTS 2006/07 (SUBJECT TO AUDIT)**

The Chief Executive presented the Statement of Accounts for 2006/07 subject to Audit.

Under the Account and Audit Regulations 2004 Local Authorities, including Police Authorities, are required to receive and approve the Statement of Accounts for 2006/07 before the end of June 2007.

**ORDERED** that:-

1. the Statement of Accounts 2006/07 be approved subject to audit.
2. the establishment of provisions totaling £1,016k be approved.
3. the establishment of earmarked reserves totaling £8,013k be approved.

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### **MINUTES OF THE COMPLAINTS PANEL**

**ORDERED** that the following minutes of the Complaints Panel held on the 25 April 2007 were submitted and approved

#### **COMPLAINTS PANEL**

A meeting of the Complaints Panel was held on Wednesday 25 April 2007 in the Oberhausen Room, Middlesbrough Town Hall.

PRESENT: Mr Ted Cox JP, Mr Keith Fisher JP, Mr Chris Coombs, Miss Pam Andrews-Mawer, Mr Mike McGrory JP

OFFICIALS: ACC Derek Bonnard Supt Brian Dunn, Mrs Joanne Monkman (CC).



Mr John Bage (CE)

17 **APOLOGIES FOR ABSENCE**

There were no apologies for absence

18 **MATTERS ARISING FROM PREVIOUS MEETING**

Members were advised that the rules and regulations regarding the Complaints procedure were to change from 1 April 2008, and that any training given this year would be superseded by the new regulations.

**AGREED** that:

1. Members complaints procedure training to be postponed until mid 2008 when the new legislation would be in place.

19 **DECLARATIONS OF INTERESTS**

There were no declarations of interests

20 **CIVIL CLAIM STATISTICS**

The Head of Professional Standards presented the Civil Claim Statistics for the period 1<sup>st</sup> April 2006 – 31<sup>st</sup> March 2007. The Panel were informed of the number and types of civil claims against the Force received during that period, the amount paid out for those claims finalised during the period and the amount recovered.

The Head of Professional Standards informed Members that the total number of claims for 2006/7 was less than for the same period 2005/6.

**Agreed** that:

1. The decrease in the number of claims received when compared with the same period last year be noted
2. The 45% increase in the number of claims finalised when compared with the same period last year be noted.
3. 11% of the finalised cases during the period were successfully defended compared with 17% successfully defended during the same period last year.
4. The 92 cases settled during the period cost the force £816,591.77 compared with the 59 cases settled during the same period last year at a cost of £524,414 be noted.
5. Headquarters continued to be the area with most claims.
6. The insurance policy excess be compared with similar police forces to establish 'value for money'.

ACC  
Bonnard

21 **COMPLAINTS STATISTICS**

The Head of Professional Standards presented the Complaints Against Police for the period 1<sup>st</sup> January 2007 to 31<sup>st</sup> March 2007.

There had been a 17% decrease in the number of Cases recorded during this period (138 to 115), with a 13% decrease in the number of complaints (down from 195 to 169).

Complaints of Incivility continue to outnumber those of Assault allegations, 33 complaints compared to 25 in the Assault categories.

40% (95) of completed complaints had been locally resolved. During this period 62% (59) of locally resolved complaints had been by District and 37% (36) by PSU.

Members were informed that in future complaints data would be 'traffic lighted' and would fall in line with other police data quality requirements.

**AGREED** that:

1. The contents of the report be noted
  2. To ascertain the types of complaints on Probationary Constables for two quarters, and to compare those type of complaints with the type of complaints brought against officers outside their probationary period.
- ACC  
Bonnard

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### **DELIBERATE DAMAGE STATISTICS**

The Head of Professional Standards informed Members of the cost to the Force of deliberate damage by way of forced entry into premises, and of the operational results achieved through such forced entry and other premises searches.

Members were informed that the Force had paid out £7,330 in compensation for acts of deliberate damage. Whilst 2562 searches were conducted, only 263 (10%) resulted in deliberate damage. The value of property, cash and drugs seized totaled £212,914.

**AGREED** that:

1. The contents of the report be noted
2. The operational benefits accruing to the Force in terms of property, drugs and cash seized, outweigh the cost of the damage claims be noted.

23

### **EXCLUSION OF THE PRESS AND PUBLIC**

**ORDERED** that pursuant to the Local Government Act 1972 the press and public be excluded from the meeting under paragraphs 1 & 7 of Part 1 of Schedule 12A to the Act.

24

### **RECORDED COMPLAINTS (Appendix A)**

Members considered and noted the number of complaints reported

by area.

25           **CASES FROM THE COMPLAINTS REGISTER**

Members of the Complaints Panel were shown the cases from the Complaints Register which they had previously selected.

26           **MINUTES OF THE POLICE AUTHORITY HELD ON 26 APRIL 2007**

The minutes of the Police Authority Executive held on 26 April 2007 were approved and signed by the Chair as a true and accurate record.

27           **PERFORMANCE AND AUDIT PANEL**

**ORDERED** that the following minutes of the Performance and Audit Panel held on 30 May 2007 were submitted and approved.

**PERFORMANCE AND AUDIT PANEL**

A meeting of the Performance and Audit Panel was held on Wednesday 30 May 2007 commencing at 10.00am in the Oberhausen Room, Middlesbrough Town Hall

PRESENT           Councillor Ron Lowes (Chair), , Councillor Paul Thompson, Mr Chris Coombs (ex officio), Mr Aslam Hanif, Mr Ted Cox JP, Councillor Steve Wallace.

OFFICIALS         Mr John Bage, Mr Paul Kirkham, Mr Norman Wright (CE)  
DCC Ron Hogg, A/ACC Dave Pickard, Mr Graeme Slaughter, Miss Kate Rowntree (CC),

AUDITORS         Mr Ian Wallace (Bentley Jennison).  
Mrs Cath Andrew (Audit Commission)

28           **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Dave McLuckie (ex officio), Mr Joe McCarthy, Mr Peter Race, Mr Keith Fisher JP and ACC Adam Briggs

29           **DECLARATIONS OF INTERESTS**

There were no declarations of interests.

**Action**

30           **MINUTES OF THE PREVIOUS MEETING HELD 23 March 2007**

The minutes were agreed as a true and accurate record.

31           **MATTERS ARISING**

There were no matters arising

32

### **OUTSTANDING RECOMMENDATIONS**

The Strategy and Performance Manager informed Members of two outstanding recommendations, Sickness & Absence and Recruitment. Both of these items would be addressed in this meeting.

**AGREED** that:-

1. the Outstanding Recommendations be noted.

33

### **PERFORMANCE REPORT**

The Deputy Chief Constable presented the report to Members on the year end performance of the Force for the period April 2006 – March 2007, against the 2006-09 Corporate Policing Strategy and 2006-07 Local Policing Plan.

**AGREED** that:-

1. the report be noted

34

### **RECRUITMENT REPORT**

The Deputy Chief Constable provided Members with the performance outturn information regarding recruitment activities carried out by the Force between April 2006 and March 2007.

Further work would be undertaken in 2007/8 to improve Force workforce planning and would be reported to the Performance and Audit Panel quarterly.

**AGREED** that:-

1. the report be noted
2. future reports to include data on minority, under represented groups and female officers.

35

### **SICKNESS ABSENCE REPORTING**

The Deputy Chief Constable updated Members on the year-to-date sickness and absence figures, a comparison with our most similar Forces and information in respect of current attendance management initiatives.

**AGREED** that:-

1. the report be noted
2. future reports to include separate breakdowns of both long and short term sickness statistics.

DCC  
Hogg

36

### **INTERNAL AUDIT REPORTS 2006/7**

The Head of Internal Audit updated Members on a number of reports. He informed Members that in general terms all of the internal audit governance procedures were satisfactory.

37

**Fixed Assets 2006/7**

The Head of Internal Audit informed Members that an audit of Fixed Assets was undertaken as part of the approved internal audit periodic plan for 2006/07. Overall the fixed asset system operates effectively; testing identified that these controls work efficiently.

**AGREED** that:

1. the report be noted and agreed

38

**Call Handling 2006/7**

The Head of Internal Audit informed Members that an audit of Call Handling was undertaken as part of the approved internal audit periodic plan for 2006/07. Evaluation of the system showed that overall controls surrounding the management of Call Handling and encompassed by Call Management were sound and these were operating well.

**AGREED**

1. the report be noted and agreed

39

**Districts 2006/7**

The Head of internal Audit informed Members that an audit of District Offices and the Central Business Unit was undertaken as part of the approved internal audit periodic plan for 2006/07.

The Head of Internal Audit informed Members that overall, there are appropriate controls in place to ensure that risks are minimised.

**AGREED** that:

1. the report be noted and agreed

40

**Financial Systems Year End Testing 2006/7**

The Head of Internal Audit informed Members that a key control audit covering key financial systems was undertaken as part of the approved internal audit periodic plan for 2006/07.

**AGREED** that:

1. the report be noted and agreed

41

### **Fleet Management 2006/7**

The Head of Internal Audit informed Members that an audit of Fleet Management was undertaken as part of the approved internal audit periodic plan for 2006/07.

**AGREED** that:

1. the report be noted and agreed

42

### **IT Governance and Strategic Management**

An audit of IT Governance and Strategic Management was undertaken as part of the approved internal audit periodic plan for 2006/07.

The Head of Internal Audit stated that in his opinion the control framework for the area under review, as currently laid down and operated, provided substantial assurance that risks material to the achievement of the organisation's objectives for this area are adequately managed and controlled.

**AGREED** that:

1. the report be noted and agreed

43

### **Follow up review of Corporate Governance & Risk Management and Health & Safety**

The Head of Internal Audit informed Members that a Follow Up Review was undertaken as part of the approved internal audit periodic plan for 2005/06. This involved an assessment of the implementation of actions agreed by management to address recommendations made in previous Internal Audit reports. The review specifically focused on:

- Corporate Planning & Risk Management
- Health and Safety

The Head of Internal Audit told Members that in his opinion the implementation of recommendations had been good.

**AGREED** that:

1. the report be noted and agreed

44

### **Annual Report of the Internal Audit System 2006/7**

The Head of Internal Audit informed Members that the role of the internal audit service was to provide management with an objective assessment of whether systems and controls were working properly.

It was a key part of the Authority's internal control system because it measured and evaluated the adequacy and effectiveness of other controls so that:

- the Authority and senior management can know the extent to which they can rely on the whole system; and
- individual managers can know how reliable are the systems and controls for which they are responsible.

The Head of Internal Audit informed Members that he was satisfied that sufficient internal audit work had been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of Cleveland Police Authority's risk management, control and governance processes. In his opinion, for the 12 months ended 31 March 2007 Cleveland Police Authority had adequate and effective risk management, control and governance processes to manage the achievement of the organisation's objectives.

**AGREED** that:

1. the report be noted and agreed

45

#### **STATEMENT ON THE SYSTEM OF INTERNAL CONTROL 2006/2007. REVIEW OF INTERNAL CONTROL AND SIC ASSURANCE GATHERING PROCESS**

The Executive Accountant informed Members that the Performance and Audit Panel were required to formally record that the document "Review of Internal Control and the Statement of Internal Control Assurance gathering process" has been made available to Members.

**AGREED** that:-

1. Members noted that the working document "Review of Internal Control and the Statement of Internal Control Assurance gathering process" was circulated to all Members of the Police Authority on 21<sup>st</sup> March 2007. The final document was circulated as a briefing on 21<sup>st</sup> May 2007.

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#### **THE STATEMENT ON THE SYSTEM OF INTERNAL CONTROL 2006/2007. SOURCES OF ASSURANCE**

The Executive Accountant informed Members that the Performance and Audit Panel were required to review and comment on the Sources of Assurance as part of the process of establishing the assurance framework in support of the Statement on Internal Control (SIC).

**AGREED** that:

1. The Sources of Assurance be agreed

47

## **THE STATEMENT ON THE SYSTEM OF INTERNAL CONTROL SERVICE UNIT ASSURANCE QUESTIONNAIRE. SUMMARY OF RESPONSES**

The Executive Accountant provided a summary of the responses from the survey of Service Unit Managers, undertaken as part of the process of establishing the assurance framework in support of the Statement on Internal Control (SIC).

**AGREED** that:

1. The report be noted and that the improvements would be established through the corporate SIC process and Service Unit Action Plan as appropriate.

48

## **THE STATEMENT ON SYSTEM OF INTERNAL CONTROL STATEMENT OF KEY CONTROLS.**

The Executive Accountant informed Members that the Performance and Audit Panel were required to review and comment on the Statement of Key Controls as part of the process of establishing the assurance framework in support of the Statement on Systems of Internal Control (SIC). These were shown at Appendix A to the report.

As part of the framework for preparing the Statement of Internal Control, the SIC Work Group had collated a Statement of Key Controls, as one of the Sources of Assurance which underpin the provision of assurance on the adequacy and effectiveness of controls over key risks. The initial version of the Statement of Key Controls was considered by the Panel on the 8<sup>th</sup> February 2007.

**AGREED** that:

1. the Statement of Key Controls as set out at Appendix A to the report be agreed

49

## **STATEMENT ON THE SYSTEM OF INTERNAL CONTROL 2006/2007**

The Executive Accountant informed Members that the Performance and Audit Panel had the opportunity to review and comment on an earlier Draft Statement on Internal Control 2006/2007 at its meeting on 8<sup>th</sup> February 2007. Since then further work had been undertaken by officers to produce this final version for review by the Panel.

**AGREED** that:

1. the proposed Statement on Internal Control 2006/2007 is recommended for approval to the Police Authority Executive meeting on the 14th June 2007.

50

## **POLICE USE OF RESOURCES EVALUATION (PURE) 2006/2007**



The Executive Accountant advised Members of the areas of improvement flowing from discussions with the Audit Commission on their interim work in relation to PURE 2006/2007.

Following a process of self assessment by the Force and Authority in March 2007, the external auditors were undertaking this review during the period, March 2007 to May 2007, updated in September 2007 for financial reporting. This was part of their responsibility to examine the economy, efficiency and effectiveness of the Authority's use of resources under section 5(1) (e) of the Audit Commission Act 1998, and in accordance with the Commission's Code of Audit Practice and Standing Guidance for Auditors.

A formal audit report highlighting areas for improvement of the key arrangements was currently scheduled for presentation to the Authority in October 2007. The national PURE timetable was contained in Appendix A to the report which showed dates for interim reporting by the Audit Commission in July 2007.

**AGREED** that:

1. the progress made to date in addressing those areas for improvement identified in 2005/2006 be noted.
2. Members would receive quarterly monitoring reports on progress in addressing areas for improvement flowing from PURE.
3. that the SIC Lead Officer Group would take the role of project board to allocate responsibilities and oversee progress be noted.

51

#### **INTERNAL AUDIT SERVICE TERMS OF REFERENCE**

The Executive Accountant presented this report to Members it facilitated the review of the terms of reference for Internal Audit Services.

Attached at Appendix A to the report is the result of a review undertaken by officers in consultation with the Head of Internal Audit Services.

The Terms of Reference would be the subject of regular review, and would follow on from the Annual Review of Internal Audit.

**AGREED** that:

1. the Terms of Reference set out at Appendix A, and subject to any amendments proposed by the Panel, be adopted.

52

#### **CONTRACT FOR INTERNAL AUDIT SERVICES PROPOSED EXTENSION TO CONTRACT PERIOD**

The Executive Accountant requested Members of the Performance and Audit Panel to consider the extension of the current internal audit contract.

The current contract for internal audit services was awarded from 1<sup>st</sup> April 2003 to Pritchard Wood. Contract terms were such that after

an initial period of 3 years the Authority could agree to extend the contract period by a further 2 years, making a total of 5 years. This option was in fact exercised in 2005, and the contract period extended to terminate on 31<sup>st</sup> March 2008.

It is proposed that the existing contract period be extended to the 31<sup>st</sup> March 2009, giving a total extension to the original contract period of 3 years. (Further extension is not possible unless the Police Authority agree exemption from contract standing orders).

**AGREED** that:

1. This panel recommends to the Police Authority Executive that it exercises its authority under Contract Standing Orders 4.1. (g) and 4.2 (a) and agree to the extension of the Internal Audit Services contract with Bentley-Jennison for a year. The revised date for termination will thus become 31<sup>st</sup> March 2009.

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#### **STATEMENT OF ACCOUNTS 2006/07 (SUBJECT TO AUDIT)**

The Head of Financial Services informed Members that prior to presentation to the Police Authority Executive the Statement of Accounts is presented to the Performance and Audit Panel for scrutiny and recommendation to the Police Authority in accordance with the annual programme agreed by the Police Authority Executive in February 2007.

Appendix A to the report provided Members with a brief explanation of each of the components of the Statement of Accounts.

**AGREED** that:

1. the Statement of Accounts 2006/07 (subject to audit) to the Police Authority Executive for approval be agreed.
2. the establishment of provisions totaling £1,016k be submitted to the Police Authority Executive for approval.
3. the establishment of earmarked reserves totaling £8,013k be submitted to the Police Authority Executive for approval.