

2nd April 2008

Paul Caton
Direct Line 0151 285 5504

To: **The Chairperson and Members
of the Resources and Strategy Committee**

Dear Sir/Madam

A meeting of the **Resources and Strategy Committee** will be held on **Thursday 10th April 2008** in the Meeting Room, Merseyside Police Authority Offices, 3rd Floor, Mercury Court, Tithebarn Street, Liverpool commencing at **2.00pm.**

An agenda for the meeting is enclosed.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Sheena Ramsey', with a small mark to the right.

Sheena Ramsey
Chief Executive

MERSEYSIDE POLICE AUTHORITY

RESOURCES AND STRATEGY COMMITTEE

MEMBERSHIP

Elected Members

P Astbury
I Jobling
Ms D Kerrigan
W Weightman
Mrs K Wood (Chairperson)

Magistrate Members

Mr M J Amos JP
Mr J F Williams JP

Independent Members

Mr D Bradbury
Mr T C Kelly
Prof A B Zack-Williams

MERSEYSIDE POLICE AUTHORITY
RESOURCES AND STRATEGY COMMITTEE

10th APRIL 2008

AGENDA

PART 1

Apologies.

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2. <u>MINUTES</u>	1.
The Chief Executive to submit the minutes of the meeting of the Committee held on the 28th February 2008	

REPORTS OF THE TREASURER

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4. INTERNAL AUDIT TERMS OF REFERENCE, STRATEGY AND ANNUAL INTERNAL PLAN 2008/09	31.
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JOINT REPORT OF THE CHIEF CONSTABLE AND CHIEF EXECUTIVE

6. APPROVED ACTION PLAN – 2006 HEALTH AND SAFETY EXECUTIVE - IMPROVEMENT NOTICES	57.
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REPORTS OF THE CHIEF CONSTABLE

7. ADDITIONALLY FUNDED POLICE SERVICES	Report to follow
8. BCU FUNDING	Report to follow
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ANY OTHER ITEMS WHICH THE CHAIRMAN DEEMS TO BE OF AN URGENT NATURE

PART 2

Under Section 100A (4) of the Local Government Act 1972, and having satisfied the requirements of paragraphs 7, 8 and 9, the public may be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt Information as defined in the following paragraphs of Part 1 of Schedule 12A to the Act.

ITEM

REPORT OF THE TREASURER

- | | | |
|-----|---|------|
| 13. | EXTERNAL INSURANCE PREMIUMS FOR 2008/09 | 105. |
|-----|---|------|

ANY OTHER ITEMS WHICH THE CHAIRMAN DEEMS TO BE OF AN URGENT NATURE

MERSEYSIDE POLICE AUTHORITY
RESOURCES & STRATEGY COMMITTEE

At a meeting of the Resources and Strategy Committee held on Thursday, 28th February 2008 in the Meeting Room, Merseyside Police Authority Offices, 3rd Floor, West House, Mercury Court, Tithebarn Street, Liverpool, the following members were present:-

Elected Members

P Astbury
 I Jobling
 Ms D Kerrigan
 W Weightman
 Mrs K Wood (Chairperson)

Magistrate Member

Mr MJ Amos JP
 Mr JF Williams JP

Independent Members

Mr D Bradbury
 Mr T C Kelly

Co-opted Member

Mr C Van-Rooy (Unison)

Apologies

Apologies for absence were received on behalf of Prof A B Zack-Williams.

63. Declarations of Interests

There were no Declarations of Interests received.

64. Minutes

The minutes of the meeting of the Committee held on 13th December 2007 were received as a correct record and signed by the Chairperson.

Further to minute 61, the Treasurer reported that the contract for the North West/South West Forensics consortium had been signed on 21st February 2008 and that the Director of Resources would report progress to future meetings of the Committee.

65. Progress against Annual Audit Plan 2007/08

The Committee considered the report of the Treasurer on an update of progress against the approved Internal Audit Plan 2007/08 and on a proposal to enable the Committee to monitor the status and progress of agreed recommendations contained in audit reports.

RESOLVED- That the Committee agrees to receiving regular tracking reports at future meetings on the status of agreed Internal Audit recommendations as detailed in

appendix 2 of the report and which should include an indication of timescales of progress and anticipated completion.

66. Progress Report on the Approved Action Plan Relating to the 2006 Health and Safety Executive (HSE) Inspection

The Committee considered the report of the Joint Report of the Chief Constable and Chief Executive on an update of progress against the approved Action Plan relating to the 2006 HSE Inspection.

RESOLVED-

- (i) That the report and progress be noted; and
- (ii) that a full health and safety risk assessment and assessment of the current level of accommodation in the forensics laboratories at Headquarters be submitted to the next meeting of the Committee.

67. Structures and Ratios – Communication and Marketing

The Committee considered the report of the Chief Constable on proposals for the future structure of Communications and Marketing.

RESOLVED-

- (i) That the Authority be recommended to agree to the proposals in respect of Communications and Marketing as contained in the report; and
- (ii) that the Risk Assessment format previously agreed by the Authority and utilised during the Savings and Investment programme be included within all future reports submitted to the Authority relating to Structures and Ratios.

68. Basic Command Unit (BCU) Fund Grant

The Committee considered the report of the Chief Constable on the background and use of the BCU Fund Grant in 2007/08 and on proposals for 2008/09 which would be fully reported at the next meeting of the Committee.

RESOLVED-

- (i) That the report be noted;
- (ii) that copies of individual CDRP budgets for 2008/09 be made available to the Committee at its next meeting; and
- (iii) that the Authority be recommended to authorise that the distribution of monies from BCU Fund Grant for 2008/09 be frozen except for the funding directly related to the employment of police officers and police staff until the Authority receives a report detailing the distribution of the grant and proposals for its utilisation.

69. Personnel Plan 2007-2008 – 3rd Quarterly Update

The Committee considered the report of the Chief Constable on an update of performance against the Personnel Plan 2007/08 in the third quarter.

RESOLVED-

- (i) That the report be noted; and

- (ii) that the Service Improvement Committee be requested to monitor the value for money aspects of the Payroll and Pension Services contract.

70. 2007/08 Training Plan Update

The Committee considered the report of the Chief Constable on the current position in relation to delivery of training by MD&T.

RESOLVED- That the report be noted.

Minutes 63 to 70 received as a correct record on the 10th day of April 2008

Chairperson of the Committee

(The meeting closed at 2.58 pm)

MERSEYSIDE POLICE AUTHORITY

**To: The Chairperson and Members of
the Resources and Strategy Committee**

Meeting: 10th April 2008

Report of the Treasurer

Annual External Audit Plan 2008/09

1. Purpose of the Report

To bring to the notice of Members the Audit Commission's External Audit Plan for 2008/09.

2. Recommendation

Members are asked to note the Audit Commission's External Audit Plan 2008/09 as detailed in **Appendix 1**.

3. The External Audit Plan 2008/09

The District Auditor has requested that the attached audit plan be provided to this Committee so that Members views and comments can be fed back to them.

4. Financial and Staffing Implications

The increase in fees of 1% announced by the Audit Commission can be contained within the 2008/09 budget. There are no staffing implications associated with this report.

5. Risk Assessment

There are no risks associated with this report.

6. Equality and Diversity Impact Assessment

There are no direct equality or diversity issues associated with this report.

7. **Conclusions**

The Audit Commission's external audit plan has been compiled and is attached for Members attention.

Paul Johnson
Treasurer to the Authority

Audit Plan

April 2008



Audit Plan

Merseyside Police Authority

Audit 2008/09

External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services.

Audit in the public sector is underpinned by three fundamental principles.

- Auditors are appointed independently from the bodies being audited.
- The scope of auditors' work is extended to cover not only the audit of financial statements but also value for money and the conduct of public business.
- Auditors may report aspects of their work widely to the public and other key stakeholders.

The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998, the Local Government Act 1999 and the Commission's statutory Code of Audit Practice. Under the Code of Audit Practice, appointed auditors are also required to comply with the current professional standards issued by the independent Auditing Practices Board.

Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

Status of our reports

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

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

Copies of this report

If you require further copies of this report, or a copy in large print, in Braille, on tape, or in a language other than English, please call 0844 798 7070.

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Introduction

- 1 This plan sets out the work your audit team proposes to undertake in relation to the 2008/09 accounts. The plan is based on the Audit Commission's risk-based approach to audit planning and the requirements of moving towards Comprehensive Area Assessment (CAA). It reflects:
 - audit work specified by the Audit commission for 2008/09
 - current national risks relevant to your local circumstances; and
 - local risks and improvement priorities.
- 2 During 2008/09, a Comprehensive Area Assessment Lead (CAAL) will be appointed. The CAAL will provide the focal point for the Commission's work in your local area, to lead the CAA process, and to ensure that the combined inspection programme across all inspectorates is tailored to the level and nature of risk for the area and its constituent public bodies.
- 3 As I have not yet completed my audit for 2007/08, this plan should be regarded as an initial plan. The audit planning process for 2008/09, including the risk assessment, will continue as the year progresses. The information and fees in this plan will be kept under review and updated as necessary.

Responsibilities

- 4 The Audit Commission's Statement of Responsibilities of Auditors and of Audited Bodies sets out the respective responsibilities of the auditor and the Police Authority. The Audit Commission has issued a copy of the Statement to every audited body.
- 5 The Statement summarises where the different responsibilities of auditors and of the audited body begin and end and our audit work is undertaken in the context of these responsibilities.
- 6 I comply with the statutory requirements governing my audit work, in particular:
 - the Audit Commission Act 1998; and
 - the Code of Audit Practice.
- 7 The Code of Audit Practice (the Code) defines auditors' responsibilities in relation to:
 - the financial statements (including the annual governance statement); and
 - the audited body's arrangements for securing economy, efficiency and effectiveness in its use of resources.

Fees

- 8 The details of the structure of scale fees are set out in the Audit Commission's work programme and fee scales 2008/09. Scale fees are based on a number of variables, including the type, size and location of the audited body.
- 9 The total indicative fee for the audit work for 2008/09 is £101,070 which compares to the planned fee of £100,134 for 2007/08.
- 10 The fee is shown in the table below. This is determined on the basis of audit risks identified, mandated work and basic assumptions (as outlined in Appendix 2).

Table 1 Audit fee

Audit area	Planned fee 2008/09	Planned fee 2007/08
Financial statements (including Whole of Government Accounts)	£75,600	£76,748
Use of resources*	£25,470	£23,386
Total audit fee	£101,070	£100,134

** includes value for money conclusion, use of resources assessment, data quality and National Fraud Initiative*

- 11 The fee proposed for 2008/09 is within the Audit Commission's scale fee and is within the normal level of variation specified by the Commission.
- 12 In setting the fee, I have assumed that:
 - the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2007/08;
 - internal audit undertakes appropriate work on major financial systems; and
 - good quality working papers and records will be provided to support the financial statements by July 2009.

Further details of the assumptions are outlined in Appendix 2.

- 13 The Audit Commission has the power to determine the fee above or below the scale fee where it considers that substantially more or less work is required than envisaged by the scale fee. The Audit Commission may, therefore, adjust the scale fee to reflect the actual work that needs to be carried out to meet the auditor's statutory responsibilities, on the basis of the auditor's assessment of risk and complexity at a particular body.

- 14 It is a matter for the auditor to determine the work necessary to complete the audit and, subject to approval by the Audit Commission, to seek to agree an appropriate variation to the scale fee with the Authority. The Audit Commission would not normally vary the scale fee by more than 30 per cent (upwards or downwards).
- 15 The fee (plus VAT) will be charged in 12 equal instalments from May 2008 to April 2009.

Specific actions Merseyside Police Authority could take to reduce its audit fees

- 16 The Audit Commission requires its auditors to inform an audited body of specific actions it could take to reduce its audit fees.
- 17 We are working with Internal Audit to co-ordinate our respective work programmes and audit testing. This may have an impact on the audit fee in relation to financial statements work in future years.

Process for agreeing any changes in audit fees

- 18 As set out in paragraph 2, the initial risk assessment may change as the year progress. Where this is the case, I will discuss this in the first instance with the Treasurer. Supplements to the plan will be issued to record revisions to the risk and the impact on the fee.

Auditor's report on the financial statements

- 19 I am required to issue an audit report giving my:
- opinion on whether the financial statements present fairly the financial position of the Police Authority as at 31 March 2009; and
 - conclusion on whether the Police Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Financial statements

- 20 I have not undertaken a detailed risk assessment for my audit of the financial statements as many of the specific risks will not become apparent until after I have completed my 2007/08 audit. I will issue a separate opinion audit plan for my audit of the financial statements by December 2008.
- 21 At this stage I am not aware of any significant risks that are likely to impact on my audit of the financial statements.

Value for money conclusion

- 22 In reaching my conclusion I will review evidence that is relevant to the Police Authority’s performance management and financial management arrangements.
- 23 The key risks highlighted from my planning are summarised in the table below with details of planned work to mitigate the risks. Details of my risk assessment are outlined in Appendix 3.

Table 2 Key risks identified

Key risks identified	Planned work to address the risk
There are risks to the Authority's management of financial resources in view of pressures such as the Government settlement for 2008/09 and the costs of policing the Capital of Culture. In addition, there are emerging pressures such as Management of Police Information and the Estates Strategy which are likely to require reflecting in future years' budgets.	We will review how the Authority manages its resources as part of our work on budget setting.
There are adequate consultation processes in place but it is not yet clear how services are changing as a result of consultation.	We will consider how feedback from consultations is used to inform future service delivery. We will then consider whether residual risks remain for 2008/09.
Previous work has identified examples of improving value for money arrangements. There is not yet however, evidence of what planned improvements are expected to be, and how this compares to actual achievements.	We will review whether expected improvements are being set, and how these compare to actual achievements. We will then consider whether residual risks remain for 2008/09.

Use of resources

- 24 The Audit Commission has specified that auditors will complete a use of resources assessment for 2008/09. This will be a new assessment forming part of the CAA framework for 2009.
- 25 The approach to the new use of resources assessment has been subject to consultation and will be finalised after April 2008. Further information about our use of resources work for 2008/09 will be provided once the approach has been confirmed. For each of the significant risks identified in relation to the use of resources work, I consider the arrangements put in place by the Authority to mitigate the risk and plan my work accordingly.
- 26 The initial risk assessment for use of resources work is shown in Appendix 3. This will be updated through our continuous planning process as the year progresses.

Mandated work

- 27 As part of the audit, the mandated work programme comprises:
 - data quality; and
 - National Fraud Initiative.

Appendix 1 highlights the work to be undertaken.

The audit team

- 28 The key members of the audit team for the 2008/09 audit are shown in the table below.

Table 3 Audit team

Name	Contact details	Responsibilities
Julian Farmer District Auditor	j-farmer@audit-commission.gov.uk 0844 798 3624	Responsible for the overall delivery of the audit including the quality of outputs, signing the opinion and conclusion, and liaison with the Treasurer and Resources and Strategy committee.
Tom Kelly Audit Manager	t-kelly@audit-commission.gov.uk 0844 798 4829 07866 843809	Manages and coordinates the different elements of the audit work. Key point of contact for the audit.

Quality of service

- 29 We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me in the first instance. Alternatively you may wish to contact the North West Head of Operations, Frank Kerkham.
- 30 If we are unable to satisfy your concerns, you have the right to make a formal complaint to the Audit Commission. The complaints procedure is set out in the leaflet '*Something to Complain About*' which is available from the Commission's website or on request.

Planned outputs

- 31 Reports will be discussed and agreed with the appropriate officers before being issued to the Resources and Strategy Committee.

Table 4 Planned outputs

Planned output	Indicative date
Opinion audit plan	December 2008
Annual governance report	September 2009
Auditors report giving an opinion on the financial statements and value for money conclusion	September 2009
Final accounts memorandum	October 2009
Use of resources report	October 2009
Annual audit letter	November 2009

Appendix 1 – Work under the Code of Audit Practice

Financial statements

- 1 I carry out the audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board (APB).
- 2 I am required to issue an opinion on whether the financial statements present fairly, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2008, the financial position of the Police Authority as at 31 March 2009 and its income and expenditure for the year.
- 3 I am also required to review whether the Annual Governance Statement has been presented in accordance with relevant requirements, and to report if it does not meet these requirements or if the Annual Governance Statement is misleading or inconsistent with my knowledge of the Police Authority.

Value for money conclusion

- 4 The Code requires us to issue a conclusion on whether the Police Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money conclusion. The Code also requires auditors to have regard to a standard set of relevant criteria, issued by the Audit Commission, in arriving at their conclusion.
- 5 In meeting this responsibility, I will review evidence that is relevant to the Police Authority's corporate performance management and financial management arrangements. Where relevant work has been undertaken by other regulators, I will normally place reliance on their reported results to inform our work.
- 6 I will also follow up my work from previous years to assess progress in implementing agreed recommendations.

Use of resources assessment

- 7 The approach to the use of resources assessment for 2008/09 has been subject to a consultation process which ended in February 2008. The Commission is considering the responses to the consultation and will finalise the assessment framework after April 2008. We will provide further information on the work needed for the assessment once the approach has been confirmed.

Data quality

- 8 Auditors will be required to undertake audit work in relation to data quality which will be directly linked to the VFM conclusion and the use of resources assessment. The approach to reviewing police data quality has been developed by the Commission and involves a review of the management arrangements in place.

Whole of government accounts

- 9 I will be required to review and report on your Whole of Government Accounts (WGA) consolidation pack in accordance with the approach agreed with HM Treasury and the National Audit Office.

National Fraud Initiative

- 10 From 2008/09 work relating to the National Fraud Initiative will be carried out directly by the Commission under its new data matching powers under the Serious Crime Act 2007. The Commission will be consulting audited bodies on the work programme and fee scales for the National Fraud Initiative later this year.

Appendix 2 – Basis for fee

- 1 The Audit Commission is committed to targeting its work where it will have the greatest effect, based upon assessments of risk and performance. This means planning my audit work to address areas of risk relevant to my audit responsibilities and reflecting this in the audit fees. It also means making sure that my work is coordinated with the work of other regulators, and that my work helps you to improve.
- 2 The risk assessment process starts with the identification of the significant financial and operational risks applying at the Police Authority with reference to:
 - our cumulative knowledge of the Authority;
 - planning guidance issued by the Audit Commission;
 - specific results of previous and ongoing audit work;
 - interviews with Police Authority officers;
 - liaison with internal audit; and
 - results of other review agencies' work where relevant.

Assumptions

- 3 In setting the fee, I have assumed that:
 - the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2007/08;
 - you will inform us of significant developments impacting on our audit;
 - internal audit meets the appropriate professional standards;
 - internal audit undertakes appropriate work on financial systems that provide material figures in the financial statements sufficient that I can place reliance for the purposes of our audit;
 - good quality working papers and records will be provided to support the financial statements by July 2009;
 - requested information will be provided within agreed timescales;
 - prompt responses will be provided to draft reports; and
 - additional work will not be required to address questions or objections raised by local government electors.
- 4 Where these assumptions are not met, I will be required to undertake additional work which is likely to result in an increased audit fee. The fee for the audit of the financial statements will be re-visited when I issue the opinion audit plan.

- 5 Changes to the plan will be agreed with you. These may be required if:
- new residual audit risks emerge;
 - additional work is required of us by the Audit Commission or other regulators;
or
 - additional work is required as a result of changes in legislation, professional standards or as a result of changes in financial reporting.

Appendix 3 – Initial risk assessment – use of resources

Significant risks identified	Mitigating action by audited body	Residual audit risk	Action in response to residual audit risk	Link to auditor’s responsibilities
There are risks resulting from the resources available to the Authority to meet its financial commitments. These include the Government settlement for 2008/09 and the costs of policing the Capital of Culture. In addition, emerging pressures such as Management of Police Information and the Estates Strategy will need to be reflected in future years’ budgets.	This Authority is addressing this through its 2008/09 budget setting arrangements and medium term financial planning.	yes	We will assess how the Authority manages its resources as part of our work on budget setting.	The Authority manages its spending within available resources.
There are adequate arrangements in place for consultations but not yet evidence of how services are changing as a result of this.	Consultation arrangements are in place.	yes	As part of our 2007/08 PURE work, we will consider how feedback from consultations is used to inform future service delivery. Following this, we will consider whether residual risks remain for 2008/09.	Feedback from consultations is used by the Authority to inform future design and delivery of services.
Our 2006/07 work identified examples of improving value for money arrangements. However, there was no evidence of what improvements are expected to be, and how this compares to actual achievements.	Arrangements are in place to manage and improve value for money.	yes	As part of our 2007/08 PURE work, we will review whether expected improvements are being set, and subsequently compared to actual achievements. Following this, we will consider whether there are any residual risks for 2008/09.	The body has put in place arrangements to manage and improve value for money. This includes arrangements for managing its financial and other resources to demonstrate VFM is being achieved.

Appendix 4 – Independence and objectivity

- 1 I am not aware of any relationships that may affect the independence and objectivity of audit team, which we are required by auditing and ethical standards to communicate to you.
- 2 I comply with the ethical standards issued by the APB and with the Commission's requirements in respect of independence and objectivity as summarised below.
- 3 Auditors appointed by the Audit Commission are required to comply with the Commission's Code of Audit Practice and Standing Guidance for Auditors, which defines the terms of my appointment. When auditing the financial statements auditors are also required to comply with auditing standards and ethical standards issued by the Auditing Practices Board (APB).
- 4 The main requirements of the Code of Audit Practice, Standing Guidance for Auditors and the standards are summarised below.
- 5 International Standard on Auditing (UK and Ireland) 260 (Communication of audit matters with those charged with governance) requires that the appointed auditor:
 - discloses in writing all relationships that may bear on the auditor's objectivity and independence, the related safeguards put in place to protect against these threats and the total amount of fee that the auditor has charged the client; and
 - confirms in writing that the APB's ethical standards are complied with and that, in the auditor's professional judgement, they are independent and their objectivity is not compromised.
- 6 The standard defines 'those charged with governance' as 'those persons entrusted with the supervision, control and direction of an entity'. In your case, the appropriate addressee of communications from the auditor to those charged with governance is the Police Authority. The auditor reserves the right, however, to communicate directly with the Authority on matters which are considered to be of sufficient importance.
- 7 The Commission's Code of Audit Practice has an overriding general requirement that appointed auditors carry out their work independently and objectively, and ensure that they do not act in any way that might give rise to, or could reasonably be perceived to give rise to, a conflict of interest. In particular, appointed auditors and their staff should avoid entering into any official, professional or personal relationships which may, or could reasonably be perceived to, cause them inappropriately or unjustifiably to limit the scope, extent or rigour of their work or impair the objectivity of their judgement.

- 8 The Standing Guidance for Auditors includes a number of specific rules. The key rules relevant to this audit appointment are as follows.
- Appointed auditors should not perform additional work for an audited body (ie work over and above the minimum required to meet their statutory responsibilities) if it would compromise their independence or might give rise to a reasonable perception that their independence could be compromised. Where the audited body invites the auditor to carry out risk-based work in a particular area that cannot otherwise be justified as necessary to support the auditor's opinion and conclusions, it should be clearly differentiated within the audit plan as being 'additional work' and charged for separately from the normal audit fee.
 - Auditors should not accept engagements that involve commenting on the performance of other auditors appointed by the Commission on Commission work without first consulting the Commission.
 - The District Auditor responsible for the audit should, in all but the most exceptional circumstances, be changed at least once every five years.
 - The District Auditor and senior members of the audit team are prevented from taking part in political activity on behalf of a political party, or special interest group, whose activities relate directly to the functions of local government or NHS bodies in general, or to a particular local government or NHS body.
 - The District Auditor and members of the audit team must abide by the Commission's policy on gifts, hospitality and entertainment.

Appendix 5 – Working together

Meetings

- 1 In order to help address my responsibilities under ISA (UK&I) 315 - understanding the entity, I will maintain my knowledge of your issues to inform my risk-based audit through regular liaison with key officers.
- 2 The meetings will be organised by the Audit Commission and our proposal for this is as follows.

Table 5 Proposed meetings with officers

Authority officers	Audit Commission staff	Timing	Purpose
Treasurer, Director of Resources	District Auditor Audit Manager	Quarterly: May, August, November, February	General update plus discussions of specific work and reports.
Financial Services Manager	AM and/or Team Leader	Bi-Monthly	Update on internal audit progress and other issues
Financial Accountant	Audit Manager Team Leader	Bi-Monthly	Update on audit and opinion issues
Resources and Strategy Committee	District Auditor and Audit Manager, with Team Leader as appropriate	As required	Formal reporting of: <ul style="list-style-type: none"> • Audit Plan • Annual Governance report • Use of Resources • Annual Audit Letter Other issues and reports as appropriate

Sustainability

- 3 The Audit Commission is committed to promoting sustainability in our working practices and I will actively consider opportunities to reduce our impact on the environment. This will include:
 - reducing paper flow by encouraging you to submit documentation and working papers electronically;
 - use of video and telephone conferencing for meetings as appropriate; and
 - reducing travel.

MERSEYSIDE POLICE AUTHORITY

**To: The Chairperson and Members of
the Resources and Strategy Committee**

Meeting: 10th April 2008

Report of the Treasurer

**Internal Audit Terms of Reference, Strategy
and
Annual Internal Audit Plan 2008/09**

1. Purpose of the Report

- 1.1 The purpose of this report is to seek the approval of Members for the adoption of the revised Terms of Reference for Internal Audit, and approve the Internal Audit Strategy and the 2008/09 Internal Audit plan.

2. Recommendation

- 2.1 Members are asked to note the contents of the report and recommend that the Authority approves:-
- (i) the revised Terms of Reference for Internal Audit;
 - (ii) the Internal Audit Strategy for 2008/09; and
 - (ii) the Internal Audit Plan for 2008/09.

3. Background

- 3.1 In accordance with Section 6 of The Accounts and Audit Regulations 2006 the Authority must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with proper internal audit practices. This responsibility is discharged through the Treasurer.
- 3.2 As a consequence the Authority has established an Internal Audit function, under the independent control and direction of the Treasurer. The Internal Audit function has been arranged to carry out an independent examination of accounting, financial and other operations of the Authority, thereby reviewing and reporting upon:-

- (a) the soundness and adequacy of financial management and other internal control systems and their implementation;
 - (b) the extent of compliance with and the financial effect of established policies, plans and procedures;
 - (c) the extent to which assets and interests are accounted for and safeguarded from losses due to fraud, waste, extravagance and inefficiency;
 - (d) the arrangements for assessing and controlling risks, both financial and business related;
 - (e) the completeness, reliability and integrity of information, both financial and operational; and
 - (f) the economy, efficiency and effectiveness with which resources are employed.
- 3.3 The Financial Services Manager is responsible for the day to day management of the Internal Audit Service and reports directly to the Treasurer.

4. Internal Audit

4.1 Terms of Reference

- 4.1.1 In accordance with Financial Regulation 7.2 (c) (i), Members are asked to consider, approve and adopt the Terms of Reference of Internal Audit, as required by Auditing Practices Board guidelines and CIPFA's Code of Practice for Internal Auditors in the UK 2006.
- 4.1.2 In this regard, formal Terms of Reference for Internal Audit have been drawn up and are outlined at **Appendix 1**. Members are asked to formally consider and recommend to the Authority the approval of these Terms of Reference.

4.2 Internal Audit Strategy

- 4.2.1 Members are also requested to approve the Internal Audit Strategy (**Appendix 2**). This is a high level statement of how the Internal Audit service will be delivered and developed in accordance with its Terms of Reference (**Appendix 1**) and its relevance to the Authority's objectives and priorities. The Internal Audit Service's Terms of Reference define the objectives and scope of Internal Audit, whilst this strategy details the arrangements in place to deliver them.

4.3 The Annual Internal Audit Plan 2008/09

- 4.3.1 In April 2006 the Authority approved a three year strategic internal audit plan for the period covering 2006/07 to 2008/09. It is now the final year of that strategic plan and Members are asked to approve the attached draft Annual Internal Audit Plan for 2008/09 (**Appendix 3**). The original plan has been updated, in consultation with the Force's Director of Resources and the District Auditor, to reflect changes in priorities, the identification of risks or other areas for review during 2007/08 and the level of resources available. For example the reviews on the impact of the Structures and Ratio's work on the financial control environment, the Estate Strategy, Detained Persons Property and Partnership arrangements have replaced the planned reviews of cash and bank, car loans system, DNA Forensics and Time Recording, the later two audits which are being undertaken as part of the 2007/08 plan.
- 4.3.2 Update reports on the outcome of the audit activity undertaken against the 2008/09 internal audit plan will be submitted to this Committee for consideration in accordance with the Authority's Financial Regulations.

5. Financial and Staffing Implications

There are no direct financial or staffing implications associated with this report.

6. Risk Assessment

Internal Audit is a key aspect of the Authority's risk management strategy and offers independent support and reassurance to the Authority, Force and outside inspection and audit bodies. Consequently, the risk in not approving the Annual Audit Plan is that the Authority would not comply with the Accounts and Audit Regulations and the Authority would not independently monitor the internal control environment that exists within the Force.

7. Equality & Diversity Impact Assessment

There are no Equality and Diversity issues associated with this report.

8. Conclusions

The areas included in the plan have been identified through an extensive review of all service areas. Consultation with the Force has ensured that their views have been taken into account.

Paul Johnson
Treasurer to the Authority

Contact Officer: John Riley, Financial Services Manager (0151) 236 4748

Background Papers: Resources and Strategy Committee 13th April 2006 – MPA Strategic Audit Plan 2006/07 to 2008/09.

Merseyside Police Authority Internal Audit

Terms of Reference

1. Introduction

- 1.1 The purpose, authority, and responsibility of the Authority's Internal Audit Service are formally defined by these terms of reference. The need for local authorities to provide an internal audit function is governed by Section 151 of the Local Government Act 1972 and section 112 of the Local Government Finance Act 1988 for the Police Authority.
- 1.2 The Accounts and Audit Regulations 2006 more specifically require that a local authority must "maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices". This statutory requirement is reflected in the Authority's Financial Regulations.
- 1.3 The proper internal audit practices referred to are defined in Code of Practice for Internal Audit in Local Government in the UK 2006 produced by the Chartered Institute of Public Finance and Accountancy (CIPFA). Therefore, the standards to which the Internal Audit Service works are contained within the Code of Practice.

2. Responsibility and Objectives of Internal Audit

- 2.1 The Internal Audit Service is an assurance function established by the Authority that primarily provides an independent and objective opinion to the Authority on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 2.2 In this way, the Internal Audit Service acts as a safeguard to ensure that the Authority's established systems are checked and tested to ensure compliance with policies, procedures, laws and regulations are effective, and that any breaches or control weaknesses are reported and the appropriate action taken. The Internal Audit Service aids the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity and corruption.

3. Organisational Independence of Internal Audit

- 3.1 The Internal Audit service is under the independent control and direction of the Treasurer, operating in accordance with Statutory Guidelines and other professional obligations and regulations. It carries out an examination and evaluation of the whole system of internal controls established by the Authority and Force, not just the financial control systems, assessing the risks facing the organisation and how well management undertakes its control responsibilities.
- 3.2 In this context, Internal Audit shall review and report upon:-
- (i) the soundness and adequacy of financial management and other internal control systems and their implementation;
 - (ii) the extent of compliance with and the financial effect of established policies, plans, procedures and regulations;
 - (iii) the extent to which assets and interests are accounted for and safeguarded from losses due to fraud and other offences;
 - (iv) the arrangements for assessing and controlling risks, both financial and business related;
 - (v) the completeness, reliability and integrity of information, both financial and operational; and
 - (vi) the economy, efficiency and effectiveness with which resources are employed.
- 3.3 In the furtherance of these principles, Internal Audit will also undertake on behalf of the Authority, Fraud / Corruption Investigations, in accordance with the Authority's Fraud Strategy Statement and Procedures. Internal Audit shall:-
- (i) evaluate the adequacy and effectiveness of internal controls to secure assets and to assist the organisation in preventing fraud and abuse;
 - (ii) be kept informed of **all** irregularities and associated investigations, thereby assisting in said investigations where appropriate in accordance with agreed protocols, i.e. Fraud Strategy Statement and Procedures; and

- (iii) provide the Resources and Strategy Committee with details of serious losses and irregularities.

4. Internal Audit's Right of Access

4.1 To achieve these aims there is a need for independence which is attained not only by the framework arrangements, which are in place, but also by the understanding and acceptance of all parties concerned.

4.2 Internal Audit, via the direction of the Treasurer, has to be totally independent of the organisation thereby maintaining an objectivity, that allows it to function effectively. In this regard, the Authority provides the following authorisation, via its Financial Regulations, to Internal Audit to:-

- (i) enter at all reasonable times on any Authority premises or land;
- (ii) have access to all records, documents and correspondence relating to any financial and associated transactions of the Authority;
- (iii) require and receive such explanations as are necessary concerning any matter under examination;
- (iv) require any employee of the Authority or officer of the Force to produce cash, stores or any other asset under his control;
- (v) require any officer to report to Internal Audit any irregularity or suspected irregularity; and
- (vi) attend meetings to give advice or report on matters affecting his/her responsibility.

5. Reporting Lines and Relationships

5.1 In terms of access, Internal Audit shall have direct access to the Treasurer, Chief Executive and Chief Constable. Direct access to the Chairman of the Resources & Strategy Committee is also sanctioned if the circumstances warrant it. In such situations Internal Audit shall be allowed to report in its own name.

- 5.2 Internal Audit will work directly with the External Auditor to facilitate the provision of the most effective audit of the Authority, as outlined in the agreed protocols on joint working in line with the principles of the managed audit approach.
- 5.3 The Treasurer will report regularly throughout the municipal year to the Resources and Strategy Committee on the activity and performance of Internal Audit, including an annual audit opinion within the annual Internal Audit outturn report and Annual Governance Statement.

6. Resources Requirements

An annual Internal Audit plan is produced; in preparing the plan, the resource availability is determined. Where there is an imbalance between the two, the Resources and Strategy Committee should be informed of proposed solutions.

MERSEYSIDE POLICE AUTHORITY

INTERNAL AUDIT STRATEGY 2008/09

1. Introduction

- 1.1 The audit strategy is a high level statement, of how the internal audit service will be delivered and developed in accordance with its terms of reference (**Appendix 1**) and its relevance to the Authority's objectives and priorities. The internal audit service's terms of reference define the objectives and scope of internal audit, whilst this strategy details the arrangements in place to deliver them and is subject to approval by the Resources & Strategy Committee. The internal audit service's business plan contains a more detailed strategy for that particular year.
- 1.2 Overall, the strategy of internal audit is to deliver a risk-based annual audit plan in a professional and independent manner, in order to provide the Authority with an opinion on the level of assurance that can be placed upon the internal control environment, as a contribution to the proper, economic, efficient and effective use of resources, and where appropriate to make recommendations to improve it.
- 1.3 The Accounts and Audit Regulations 2003 (as amended 2006) require Authorities to ensure that:-
- (i) the financial management of the Authority is adequate and effective;
 - (ii) there is an effective system of internal control which supports the Authority's activities;
 - (iii) there are adequate arrangements for the effective management of risks;
 - (iv) there is at least an annual review of the effectiveness of internal controls; and
 - (v) the annual review is reported as part of the process for approving the Annual Governance Statement.
- 1.4 Internal audit undertakes an annual planned programme of audit reviews to ensure that the financial, risk, performance, and governance arrangements in place throughout the Authority, as part of the internal control environment, are adequate and to evidence that the control environment's risks are being managed effectively.

2. Objectives and Outcomes

- 2.1 The key objective for the internal audit service is supporting the Authority in:-
- (i) managing its significant business risks;
 - (ii) ensuring arrangements are in place to maintain a sound system of internal control; and
 - (iii) ensuring that those arrangements are designed to promote and ensure probity and propriety in the conduct of its business.
- 2.2 The internal audit service has to be judged by its contribution to the achievement of the Authority's priorities. Therefore, an effective internal audit service should aspire to:-
- (i) understand the whole organisation, its needs and objectives;
 - (ii) understand its position with respect to the organisation's other sources of assurance and plan its work accordingly;
 - (iii) be seen as a catalyst for change at the heart of the organisation;
 - (iv) add value and assist the organisation in achieving its objectives;
 - (v) be forward looking – knowing where the organisation wishes to be and aware of the national agenda and its impact;
 - (vi) be innovative and challenging;
 - (vii) help to shape the ethics and standards of the organisation;
 - (viii) ensure the right resources are available, recognising that the skills mix, capacity, specialisms, qualifications, and experience requirements all change constantly; and
 - (ix) share best practice with other auditors.
- 2.3 The detailed audits and reviews planned to achieve these objectives are set out in each year's audit plan. The compilation of an annual audit plan (system and risk-based audits, and irregularities) is central to obtaining sufficient evidence to provide the required assurance opinion on the overall control environment.
- 2.4 The resultant audit plan is created by taking a risk-based approach, with the main factors taken into account being the following:-
- (i) major financial systems;
 - (i) significant non financial systems;
 - (ii) significant strategic risks, as identified in the Authority's and Force's Strategic risk registers;
 - (iii) previous audit coverage;
 - (iv) known or potential weakness in internal control;
 - (v) proactive anti-fraud and corruption work;
 - (vi) new computerised systems; and

- (vii) comments from the Treasurer, Members of the Resources and Strategy Committee, the Chief Constable and the District Auditor.
- 2.5 Thus, planning reflects the internal audit service's wider role in not just examining financial controls, but also non-financial systems of internal control, as defined in the comprehensive control environment. Attention is given to corporate governance, with the need to produce an Annual Governance Statement, providing a focus for the various audit reviews. Significant emphasis is placed upon the Authority's and Force's Strategic risks (as identified in the risk registers) and the major financial systems.
- 2.6 In addition to the factors described above, a separate assessment of audit risk is made to ensure that there is an objective approach to the creation of the plan. In this way, sufficient resources are allocated to each major area. The trend is to audit the higher risk and higher priority areas only by reducing the allocation of resources to lower risk areas, both in the time spent and the frequency of review.
- 2.7 The resultant plan identifies audits, divided into systems work, implementation review & follow up work, special investigations, and advice work. There is sufficient flexibility from an element of contingency to accommodate assignments that could not have been reasonably foreseen. If necessary, the planned audits will change to reflect the emergence of greater control risk areas during the year.
- 2.8 The audit plan is subject to consultation with Members of the Resources and Strategy Committee, the Chief Constable and the District Auditor, to ensure that their concerns are addressed.
- 2.9 Ultimately, the audit plan is approved and monitored by the Authority via the Resources and Strategy Committee, after taking account of their views and opinions.

3. Assurance for the Annual Governance Statement

- 3.1 Several sources of assurance are reflected in the Annual Governance Statement, namely:-
- (i) the work of the internal audit service;
 - (ii) the work of the Standards Committee;
 - (iii) the work of monitoring Officer;
 - (iv) the work of the Treasurer;
 - (v) the work of the Chief Constable;
 - (vi) the Audit Commission reports; and
 - (vii) the various external inspection agencies.

3.2 The Accounts & Audit Regulations 2003 require that significant internal control issues should be reported in the statement. In considering what may constitute a significant control issue, a judgement needs to be made as to whether:-

- (i) the achievement of a principal objective has been seriously prejudiced;
- (ii) a control weakness has a material impact on the statement of accounts; and,
- (iii) the control weakness could attract significant public interest or cause serious reputational damage.

3.3 In addition, the Accounts & Audit (Amendment) (England) Regulations 2006 require the Authority to conduct an annual review of the effectiveness of the system of internal audit, and therefore the Treasurer will report the findings of this review. In this way, the Treasurer is responsible for ensuring that all internal audit work complies with CIPFA's *Code of Practice for Internal Audit 2006*. The standards, procedures, and reporting protocols for auditors are monitor by the Financial Services Manger.

4. How Internal Audit's Work will Identify and Address Local & National Issues and Risks

4.1 Internal audit keeps abreast of current national and local developments so that activities remain relevant to the Authority's needs. In terms of national developments, both the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Institute of Internal Auditors are the main source of professional guidance. Information is derived via governance, counter-fraud, and internal audit forum web sites, e-mail alerts, attendance at conferences, and specific courses.

4.2 At the local level, Strategic developments and relevant matters are discussed at audit team meetings. A key priority is to promote the control environment and corporate governance both within the Authority and the Force.

5. How the Service will be Provided

The internal audit service is provided by Officers from Knowsley MBC located at the Police Authority.

6. Resources & Skills Required

The staffing resources implied in the audit plan reflect the current establishment and skills of the internal audit service. All staff are regularly appraised in accordance with Knowsley MBC's policy, and training is given to support continual development. Account is taken of the auditor's skills and competencies such as CIPFA's *"The Excellent Internal Auditor - a Good Practice Guide to Skills and Competencies"*, counter-fraud professionalism in investigations, and continuing professional development that is mandatory for CIPFA members.

Appendix 3

Merseyside Police Authority

Annual Internal Audit Plan 2008/09

		Original	Revised
		2008/09	2008/09
MAIN FINANCIAL SYSTEMS			
Risk Register			
	PAYROLL	Ö	Ö
	PENSIONS	Ö	Ö
	OVERTIME	Ö	Ö
	VEHICLE FLEET MANAGEMENT	Ö	Ö
	PROCUREMENT/CREDITORS	Ö	Ö
MPA & FSR	ESTATE MANAGEMENT	Ö	Ö
FSR	INFORMATION TECHNOLOGY (DATA SECURITY ARRANGEMENTS)	Ö	Ö
	SUNDRY DEBTORS SYSTEM	Ö	Ö
	PRIVATE DUTY INCOME	Ö	
MPA & FSR	CORPORATE GOVERNANCE ARRANGEMENTS	Ö	Ö
MPA & FSR	STRUCTURES & RATIOS – CONTROL ENVIRONMENT		Ö
MPA & FSR	ESTATE STRATEGY		Ö
OTHER FINANCIAL SYSTEMS			
	CASH AND BANKNG	Ö	
	CAR LOANS SYSTEM	Ö	
MPA	INSURANCE ARRANGEMENTS	Ö	Ö
	TREASURY MANAGEMENT / PRUDENTIAL CODE	Ö	
	CORPORATE CREDIT CARD	Ö	Ö
	CHIEF CONSTABLES PRIORITY FUND	Ö	
	POLICE PROPERTY ACT FUND	Ö	Ö
	SPECIAL CONSTABULARY	Ö	
	ACTIVITY BASED COSTING	Ö	
MPA & FSR	PCSO		Ö
	DETAINED PERSONS PROPERTY		Ö
MPA & FSR	PARTNERSHIPS ARRANGEMENTS		Ö

NON FINANCIAL SYSTEMS			
	DNA AND RELATED FORENSIC SUPPORT	Ö	
FSR	SICKNESS ABSENCE RECORDING AND MONITORING	Ö	Ö
	TIME RECORDING AND ANNUAL LEAVE	Ö	
	COMPUTER AIDED RESOURCE MANAGEMENT SYSTEM	Ö	
FSR	CENTRAL PROPERTY OFFICE	Ö	Ö
BCU / ESTABLISHMENT AUDITS			
	- NORTH LIVERPOOL B.C.U	Ö	Ö
	- SEFTON B.C.U	Ö	Ö
	- SOUTH LIVERPOOL B.C.U	Ö	Ö
	- TRAINING SCHOOL	Ö	
COMPANIES FINANCIAL VETTING		Ö	Ö
SPECIAL INVESTIGATIONS		Ö	Ö
FOLLOW UP AUDITS FROM PREVIOUS YEAR		Ö	Ö
POLICE INTERNAL AUDITORS GROUP		Ö	Ö
REPORTING TO RESOURCE AND STRATEGY COMMITTEE		Ö	Ö
DEVELOPMENT OF THREE YEAR STRATEGIC AUDIT PLAN		Ö	Ö

In addition, Internal Audit will also provide general advice & assistance to the Force with regard to compliance with the Authority's Standing Orders and Financial Regulations and support in respect of the Authority's banking arrangements, cash for police operations, the administration of controlled stationery, checking and approving of ex-gratia payments, tender opening procedures and imprest account end of year procedures.

MERSEYSIDE POLICE AUTHORITY

**To: The Chairperson and Members
of the Resources and Strategy Committee**

Meeting: 10th April 2008

Report of the Treasurer

**Update Report on the Status of
Internal Audit Recommendations 2006/07**

1. Purpose of the Report

The purpose of this report is to update Members on the status of agreed Internal Audit Recommendations.

2. Recommendations

Members are asked to note the contents of this report.

3. Background

- 3.1 The CIPFA Code of Practice for Internal Audit in Local Government in the UK 2006 (the Code of Practice) states that management has responsibility for ensuring that actions agreed as a consequence of Internal Audit recommendations are implemented, and Internal Audit should obtain assurances that actions have been implemented.
- 3.2 As part of the annual work-plan of the Internal Audit team, a review of all the previous year's recommendations has been undertaken to ensure that the recommendations that were accepted were actually implemented. Traditionally this work takes place towards the end of the audit year and the findings of the reviews are summarised in the Internal Audit outturn report to this Committee.
- 3.3 At the last meeting of the Committee, held on the 28th February 2008, Members approved the introduction of a tracking report to enable the Committee to track the status of audit recommendations resulting from previous Internal Audit reviews. The tracking of the status of audit recommendations develops further the 'audit committee' role of the Resources and Strategy Committee, and ensures that the Committee becomes more proactive and effective in its leadership on audit and governance issues.

4. Implementation of Recommendations

- 4.1 The tracking report attached at **Appendix 1** provides a summary of all recommendations made in respect of the portfolio holder, along with the significant and fundamental recommendations that were agreed but have not yet been implemented. From **Appendix 1** it can be seen that the vast majority of recommendations, i.e. 97.9%, have been implemented as agreed. However, there are a small number of recommendations that have not been implemented and these are detailed in **Appendix 2**, along with the Force's comments and a revised implementation date for the agreed recommendations.
- 4.2 An update on the status of these outstanding recommendations will be submitted to the next meeting of this Committee. In addition, a report on the status of the recommendations agreed during 2007/08 and 2008/09 will be reported to the Committee on a quarterly basis in 2008/09.

5. Financial and Staffing Issues

There are no financial or staffing issues associated with this report.

6. Risk Assessment

Internal Audit is a key aspect of the Authority's risk management strategy and offers independent support and reassurance to the Authority, Force and external inspection and audit bodies. The following up of audit recommendations is an important part of this strategy and provides Members with assurances that actions have been implemented. The risk of the Force not implementing the agreed recommendations is that identified control weaknesses may not be addressed or improvements not made.

7. Equality & Diversity Impact Assessment

There are no Equality and Diversity issues associated with this report.

8. Conclusion

A follow up exercise has been undertaken to establish the status of the 2006/07 agreed Internal Audit recommendations and it is encouraging to note that 97.9% of the recommendations to be made have been implemented by the Force.

Paul Johnson
Treasurer to the Authority

Contact Officer: John Riley, Financial Services Manager (0151) 236 4748

Background Papers:

Resources & Strategy Committee Agenda 28th February 2008; and
Code of Practice for Internal Audit in Local Government in the UK 2006.

Recommendation Tracking Report

Merseyside Police Authority

The following table summarises the current status by Portfolio Holder of audit recommendations made during 2006/07.

Portfolio Holder	Total Recommendations made	Implementation Date Not Reached	Now due but not yet implemented		
			Total	Significant	Fundamental
Chief Constable	7	0	1	0	1
Deputy Chief Constable	2	0	1	0	1
ACC Area Operations	56	0	0	0	0
Director of Resources	59	2	1	1	0
ACC Operations Support	0	0	0	0	0
ACC Citizen Focus	3	0	0	0	0
ACC Personnel	15	0	0	0	0
TOTAL	142	2	3	1	2
		1.4%	2.1%	0.7%	1.4%

All outstanding actions are being chased up and an update will be provided at each meeting of the Resources and Strategy Committee.

Detail of Audit Recommendations Not Implemented

Agreed by/ (Audit)	Agreed Recommendation	Priority	Agreed Timescale	Force Comment	Revised Implementation Date
<p>Chief Constable / (Corporate Credit Card)</p>	<p>The Force Director of Resources, as part of the current review to produce a formal policy on Staff Travel and Expenses, should establish improved protocols on the use of corporate credit cards, in order to give added protection to both the Authority and the Chief Officers. These protocols should be included as part of the revised Staff Travel Policy.</p>	<p>Fundamental</p>	<p>November 2006</p>	<p>This matter was clearly held pending the staff travel and expenses policy from Personnel and has not been picked up since the appointment of the new Director of Resources. The force will ensure that these protocols are incorporated into the new travel & expenses policy. Meanwhile, the Director of Resources will write to all Chief Officers asking them to apply this guidance pending formalisation of the policy. That correspondence will take place prior to 10 April 2008 and verbal confirmation of this should be possible at the committee meeting.</p>	<p>April 2008</p>

Agreed by/ (Audit)	Agreed Recommendation	Priority	Agreed Timescale	Force Comment	Revised Implementation Date
<p>DCC / (Detained Persons Property)</p>	<p>It is recommended that all Custody Suite lockers are reviewed by the Force and if they are deemed not to be fit for purpose they should be immediately replaced with new lockers which can be securely locked. In addition, it is recommended that the key to the lockers should be placed on the TRAKA system. These measures would safeguard Detained Persons' property and improve the audit trail, with regard to access to the lockers and the Detained Persons property.</p> <p><i>Following a review of the Custody Suites it was found that the following BCU's have not placed the keys to the lockers on a TRAKA system, St Helens; Liverpool South; Knowsley; or Sefton.</i></p>	<p>Fundamental</p>	<p>Dec 2007</p>	<p>This recommendation was left to devolved budget holders to implement. The Director of Resources will discuss reasons for non-adoption with Area Commanders with a view to ensuring that the recommendations are implemented across the Force.</p>	<p>tbc</p>

Agreed by/ (Audit)	Agreed Recommendation	Priority	Agreed Timescale	Force Comment	Revised Implementation Date
Director of Resources / (Payroll)	Formal documentation should be prepared which defines and provides guidance on all allowances, including the criteria for the allocation of these allowances. The provision of this information in one single, accessible place will provide transparency and assist in equitable assignment of payments.	Significant	December 2007	Again this matter appears to have been missed during the transition to the new Director of Resources. The director will work with the Authority Financial Services Manager to ascertain the underlying reasons for concern and then work with Personnel to ensure that appropriate documentation is produced to define and provide guidance on all allowances. This should be complete by end May 2008.	May 2008

MERSEYSIDE POLICE AUTHORITY

**To: The Chairperson and Members of
the Resources and Strategy Committee**

Meeting: 10th April 2008

Joint Report of the Chief Constable and Chief Executive

**Progress Report on the Approved Action Plan Relating to the 2006
Health and Safety Executive (HSE) Improvement Notices**

1. Purpose

The purpose of this report is to update Members on Force compliance with the activities arising from the joint action plan, which was required as a result of the Improvement Notices issued by the Health & Safety Executive (HSE), following their forcewide Health & Safety Inspection in November 2006.

2. Recommendations

Members are asked to note the contents of this report and particularly the progress to date against the Action Plan.

3. Background

3.1 The Authority and Force were the subject of a HSE Inspection in November 2006. The Inspection concentrated on the following themes:-

- Management of Health & Safety,
- Work related violence,
- Display screen equipment (DSE),
- Manual handling, and
- The Occupational Health Unit (OHU).

3.2 The Office of the Chief Constable and Police Authority were each issued with an Improvement Notice, relating to the contravention of the following statutory provisions:-

- Health & Safety at Work Act 1974 Section 2 (1), and
- Health & Safety (Display Screen Equipment) Regulations 1992, Regulation 2 (1).

- 3.3 The notices were issued with regard to provisions within the St Helens & Knowsley District Control Room environment.
- 3.4 Although these notices referred solely to the St Helens and Knowsley District Control Room, the HSE sought assurances that the lessons would be applied to other similar locations.
- 3.5 An action plan was formulated following an independent ergonomic study and report, consultation with control room staff and officers, local safety committees, Force Strategic and Tactical Health and Safety committees, Chief Officer Group and the Police Authority.
- 3.6 The subsequent joint action plan was approved by the Authority on 15th March 2007. In addition, it was resolved that this Committee would receive further updates in respect of compliance with the action plan. A further report will be submitted to this Committee in the new Municipal year.

4. **Progress against the Joint Action Plan**

- 4.1 The monitoring and scrutiny of the joint action plan (**Appendix 1**) is a standing agenda item at the quarterly Strategic Health and Safety Committee, which is chaired by the ACC Personnel & Development, on which the Authority is represented by Mr David Bradbury, the lead Member for Health & Safety, and Mr John Riley, the Authority's Financial Services Manager.
- 4.2 Progress against the approved action plan is detailed in **Appendix 1**. As can be seen from the action plan, work has been commenced to address all the recommendations made, and to date 9 of the 16 recommendations have been fully implemented. Work is currently ongoing to fully complete the remaining 7 recommendations, and this is highlighted in the action plan. All of the overarching objectives and the majority of the short-term objectives have been completed. The majority of improvements that could be made quickly have been completed; other improvements will need to be addressed when a room is refurbished or new builds are being planned.
- 4.3 The action plan is also subject to review by Kevin Jones, HSE Inspector at the bi-monthly meetings with the Force's Personnel Strategy Manager and Health and Safety Manager. At the last meeting held on the 18th March 2008, Mr David Bradbury and Mr John Riley also attended, the HSE Inspector confirmed his satisfaction with the Authority's and Force's approach to address the recommendations and that he believed the Authority and Force have made significant progress in delivery of the HSE requirements. At the meeting Kevin Jones announced that he was moving on to inspect the Construction Industry within Knowsley and our new inspector would be Dave Guyers.

4.4 Members will recall that the Authority set time aside within the 2007/08 Internal Audit Plan to review the Health & Safety management arrangements within the Authority and Force. One of the objectives of the audit is to confirm the progress to date in respect of the action plan relating to the HSE Improvement Notice, in order to reassure Members that progress has been reported accurately to this Committee, as well as the Force's Strategic Health & Safety Committee. This objective has been completed and it can be confirmed by Internal Audit that the status of the Action plan detailed in **Appendix 1** is correct. The rest of the audit is currently being finalised and its findings will be reported to this Committee in due course.

5. **Financial and Staffing Implications**

It was anticipated that most issues would be covered within existing resources. However, it is noted that a bid for an additional £0.060m of capital funding was submitted and approved by the Authority as part of the 2008/09 Budget Report on the 21st February 2008. This funding has enabled the Force to replace and upgrade chairs identified in risk assessments undertaken as a result of implementing the measures in the action plan. It is not envisaged that any additional resources will be required.

6. **Equality and Diversity Impact Assessment**

The activities within the action plan take account of gender related ergonomic issues as determined by the independent ergonomist.

7. **Risk Assessment**

Failure to meet statutory requirements in respect of Health and Safety may result in unacceptable risk of accidents, dangerous occurrences, injuries, ill health, prosecution and litigation. In addition, failure to adequately address the action plan could lead to the HSE reinstating its improvement notice and ultimately fining the Authority.

8. Conclusion

This report provides details of the measures which have been implemented in order to fulfil our commitments to the HSE regarding the issue of the Improvement Notices. Consequently members are asked to note the content of this report and to agree to a further update at the Resources and Strategy Committee in the new Municipal year.

Bernard Hogan- Howe
Chief Constable

Sheena Ramsey
Chief Executive

Contacts: Sara Barker - Personnel Strategy Manager, Tel 0151 777 8215
John Riley - MPA Financial Services Manager, Tel 0151 236 4748

Background Papers: HSE Inspection 2006

HSE Improvement Notice

Joint Action Plan

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total
policing

war on crime
care for victims

MPA

MERSEYSIDE
POLICE
AUTHORITY

Overarching Objectives

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
1	Establish Governance group, ensuring completion of all objectives.	<input type="checkbox"/> Identify appropriate forum, for these matters to be addressed.	ACC P&D	31/01/07	N/A	<p>Completed It has been determined that the appropriate governance forums are COG, Strategic and Tactical Health & Safety Committees and the Police Authority's Resources & Strategy Committee.</p> <p>MPA lead and officer both attend Strategic H&S Committee.</p>
		<input type="checkbox"/> Identify key individual to lead on compliance issues.	Personnel Co-ordinator	31/01/07	N/A	<p>Completed Personnel Strategy Manager leads on compliance issues.</p>
2	Maintain open communication channels between appropriate bodies with regard to activities and risk areas.	<input type="checkbox"/> Consultation via both Health & Safety Committees.	ACC P&D	As per meeting schedules	N/A	<p>Completed Standing agenda item on both Committees.</p>
		<input type="checkbox"/> Regular updates to COG & MPA.	ACC P&D	As per meeting schedules	N/A	<p>Completed Regular H&S updates on performance, action and risks are submitted to COG and MPA Resources & Strategy Committee.</p> <p>In addition, the MPA lead member and officer for H&S are informed of any matters arising via Strategic H&S Committee and regular meetings with Personnel Strategy Manager.</p>
		<input type="checkbox"/> Maintain communication with HSE.	H&SO	As and when required.	N/A	<p>Completed The strategic link is maintained by the Personnel Strategy Manager and routine contact by the H&SO. At the latest meeting, in March 2008, which was also attended by the MPA lead member and officer, Kevin Jones HSE confirmed he is satisfied with the Force and MPA progress against the agreed action plans. Next meeting is planned for May.</p>

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Short Term Objectives

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
1	Maintain cleanliness of room and equipment.	<input type="checkbox"/> Provide training and resources to enable the cleaning of headsets.	Area Commander St Helens	01/04/07	Minimal	Completed Training and resources have been provided to staff to enable the cleaning of headsets.
		<input type="checkbox"/> Clean room surfaces and tidy the room.	Cleaning Services Manager	11/06/07	Minimal	Completed Cleaning programme has been agreed and implemented.
			Area Commander St Helens.	17/03/07	Minimal	Completed A programme of regular 'tidying' by staff is in place, this is reviewed weekly by the room manager.
2	Ensure the room is lit appropriately.	<input type="checkbox"/> Fix internal blind.	Area Commander St Helens	22/05/07	£75	Completed Replacement blind has been fitted.
3	Ensure thermal and ventilation requirements are appropriate for the environment.	<input type="checkbox"/> Put the humidification plant back into action.	Head of Estates Management	19/02/07	£500	Completed Investigations revealed that the electrode boiler humidifier had recently 'tripped'. The contractor has rectified the problem and the plant is now working.
		<input type="checkbox"/> Eliminate petrol fumes entering the DCR.	H&SO	31/03/07	N/A	Completed Situation has been continuously monitored with no evidence of petrol fumes entering the room. No further complaints have been made by staff.

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Short Term Objectives continued

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
3 cont	Ensure thermal and ventilation requirements are appropriate for the environment.	<ul style="list-style-type: none"> <input type="checkbox"/> Provide chilled bottled water for use at workstations. 	Area Commander St Helens	29/05/07	£300	Completed The unit has been provided with filtered chilled water supplies which have been plumbed into mains for use at workstations.
4	Ensure the best possible ergonomic environment within the room ensuring best practice.	<ul style="list-style-type: none"> <input type="checkbox"/> Replace all monitors, which are not height adjustable. <input type="checkbox"/> Source the provision of adjustable arms for ICCS screen. <input type="checkbox"/> Replace black keyboards with alternatives as identified by ergonomist. 	<p>Development Manager Calls & CRB</p> <p>Development Manager Calls & CRB</p> <p>Area Commander St Helens</p>	<p>Ongoing programme of replacement</p> <p>05/11/2007.</p> <p>Ongoing programme of replacement</p>	<p>£1,393</p> <p>£1,758</p> <p>Minimal</p>	<p>Completed All monitors which were not height adjustable have been replaced.</p> <p>Completed Suitable adjustable arms have been sourced and fitted. These arms are now being considered for use in other ACRs.</p> <p>Ongoing Replacement programme has been implemented.</p>

Short Term Objectives continued

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
4 cont	Ensure the best possible ergonomic environment within the room ensuring best practice.	<input type="checkbox"/> Improve CCTV controls on workstation.	Development Manager Calls & CRB	N/A	N/A	No further Action to be taken at this time This matter was explored extensively with IT Systems. Following discussions with ACR staff no further action has been deemed necessary.
		<input type="checkbox"/> Undertake a user survey to identify a range of comfortable chairs, compliant with DSE.	Procurement Officer	30/04/07	£60k (inc all Control Rooms)	Ongoing Following trials in St Helens a suitable 24 hour chair was identified that met HSE requirements and operator needs. Approval for additional funding was granted by MPA in February 2008, a replacement programme is currently taking place in ACRs, forcewide.
		<input type="checkbox"/> Remove surplus legacy PTT foot bar.	Development Manager Calls & CRB	01/03/07	N/A	No further Action at this time Following discussions with ACR staff no further action has been deemed necessary as operators wish to retain the current PTT foot bars, which are compliant with existing H&S Regulations.
		<input type="checkbox"/> Cable manage the headset cabling on the work surface.	Development Manager Calls & CRB	31/07/07	N/A	Completed The cable management of headsets has been reviewed and is now deemed to be appropriate.

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Short Term Objectives continued

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
4 cont	Ensure the best possible ergonomic environment within the room ensuring best practice.	<input type="checkbox"/> Relocate printers and other equipment on Supervisors workstation to allow depth adjustment.	Area Commander St Helens	21/03/07	N/A	Completed Equipment relocated.
		<input type="checkbox"/> Store / File paper based documents off the worktops where possible.	Area Commander St Helens	31/03/07	N/A	Completed Advice given to staff regarding the storage of files and paper-based items. A regular programme of tidying is now in place.
		<input type="checkbox"/> Remove equipment from rear of Altaris & AVLS monitors.	Area Commander St Helens	21/03/07	N/A	Completed Items relocated.
		<input type="checkbox"/> Train staff to adjust the brightness and contrast controls on monitors.	Area Commander St Helens	31/03/07	N/A	Completed All staff trained to adjust the brightness and contrast controls on their monitors.
		<input type="checkbox"/> Purchase the DSE support aids as determined by the local DSE assessment programme.	Area Commander St Helens	31/03/07	Minimal	Completed Items to assist DSE support have been purchased.

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Short Term Objectives continued

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
4 cont	Ensure the best possible ergonomic environment within the room ensuring best practice.	Source an integrated footrest and PTT foot bar	Development Manager Calls & CRB	27/07/07	N/A	Completed Suitable equipment has been identified to connect to the Force ICCS equipment and footrests, and these have been made available to all personnel.
		<input type="checkbox"/> Make flush the rear portion of the workstation.	Head of Estates Management	12/07/07	£2,000	Completed Work completed and workstations are now flush.
5	Ensure the software in use fulfils the user requirements.	<input type="checkbox"/> Evaluate the use of FIS software within the room.	Area Commander St Helens	04/06/07	N/A	Ongoing Training has been provided to ACR staff and the majority of staff are now able to access the application directly. Training is ongoing for the few remaining staff.
		<input type="checkbox"/> Evaluate the concerns of the staff re the AVLS system.	Area Commander St Helens	30/06/07	N/A	Completed A new AVLS system was introduced in May 2007.

Mid Term Objectives

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
1	Ensure the room is lit appropriately.	<ul style="list-style-type: none"> <input type="checkbox"/> Set a limit to the minimum illumination levels in consultation with staff. <input type="checkbox"/> Survey window provision and check it is better than the CR and daylight / lighting levels are higher than CR. 	H&SO	29/07/07	£200	<p>No further action to be taken at this time An initial scoping exercise suggested that the best solution would be to replace the lighting system and install a Dynamic Ambient Lighting Installation. This will take place when the room is refurbished or alternative accommodation is sought.</p> <p>Completed. Due to estimated cost of building works, individual task lighting has been provided to staff as an alternative.</p>
2	Ensure thermal and ventilation requirements are appropriate for the environment.	<ul style="list-style-type: none"> <input type="checkbox"/> Improve cooling capacity of the air conditioning. <input type="checkbox"/> Conduct a survey of the air conditioning and hygiene state in consultation with staff. 	<p>Head of Estates Management</p> <p>Head of Estates Management</p>	<p>24/09/07</p> <p>Work Completed</p>	<p>£1,250</p> <p>£4,600</p>	<p>Completed Air Water Systems (AWS) have assessed the cooling capacity of the air conditioning. The survey is complete, issues addressed and data available for inspection.</p> <p>Completed The ductwork has been inspected and tested. Cleaning has taken place to ensure compliance to the relevant building regulations.</p> <p>The survey and cleaning programme has been fully completed.</p>

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Mid Term Objectives continued

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
2 Cont	Ensure thermal and ventilation requirements are appropriate for the environment	<ul style="list-style-type: none"> <input type="checkbox"/> Provide ambient temperature control in DCR. <input type="checkbox"/> Provide a normal 2-degree boost in early hours of morning. <input type="checkbox"/> Assess air conditioning for ventilation effectiveness and associated drafts, cooling capacity and potential hazards of the system. 	ACC P&D Head Of Estates Management. Head of Estates Management	To be determined Work Completed Feb/March 2008.	N/A £500 Approx £12,000	<p>No further action to be taken at this time – as this is contrary to force’s energy policy, which is to ensure that a room temperatures are between 19 – 21 degrees.</p> <p>Completed The Building Management System has been amended to provide a 2 degree boost in the hours of early morning.</p> <p>Ongoing Initial costs of £12k, identified to complete the programme of work required.</p> <p>Report of chiller operation complete, additional works identified and awaiting specification to progress chiller replacement.</p>

Mid Term Objectives continued

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
3	Ensure staff are trained with regard to DSE requirements.	<input type="checkbox"/> Source a training solution which can be easily accessible to users and compliance re usage to be monitored and regulated.	H&SO	30/09/07	N/A	<p>Completed A package has been developed by the H&SO and MD/T and is now available on line to all staff and officers. How many have used it?</p> <p>An evaluation of the package will be conducted 6 months after implementation (April 2008).</p>
4	Ensure staff are reminded of the requirement to undertake DSE 'breaks' at regular intervals.	<input type="checkbox"/> Scope the feasibility of a 'workstation adjustment' prompt on computer log on screens.	H&SO	29/07/07 10/08/07	N/A £100	<p>Completed Net presenter is used to remind staff to take DSE breaks.</p> <p>To promote the campaign further posters and leaflets have been distributed to BCU's and Departments across the force.</p>
5	Ensure the best possible ergonomic environment within the room ensuring best practice.	<input type="checkbox"/> Procure chairs based on user survey findings. <input type="checkbox"/> Relocate ICCS jack socket box in consultation with staff.	Procurement Officer Area Commander	30/04/08 29/07/07	£60k (inc all Control Rooms) £706	<p>Ongoing Following trials in St Helens a suitable 24 hour chair was identified that met HSE requirements and operator needs.</p> <p>Approval for additional funding was granted by MPA in February 2008, a replacement programme is currently taking place in ACRs, forcewide.</p> <p>Completed. The ICCS jack socket box has been relocated and this change will be subject to further evaluation by the contractors who will attend the site again in due course.</p>

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Mid Term Objectives continued

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
5 cont	Ensure the best possible ergonomic environment within the room ensuring best practice.	<input type="checkbox"/> Remove the ICCS legacy and ventilation nozzles.	Head of Estates Management	13/08/07	£600	<p>Ongoing Estates Management are working with IT to resolve this issue. Ventilation nozzles are to be removed and shelving will be installed to aid better ventilation of the hardware.</p>
6	Minimise stress and fatigue within the Unit.	<input type="checkbox"/> Implement a DSE rest break system.	Area Commander St Helens	To be determined	To be determined	<p>Ongoing Research has failed to identify a suitable IT system to monitor DSE rest breaks and work continues to identify a suitable solution.</p> <p>As an interim solution, the area has developed a manual system to meet the requirements of the Improvement Plan. It will take a period of assessment to determine its true value.</p>
		<input type="checkbox"/> Undertake a workload analysis of staff.	Area Commander St Helens	To be determined	To be determined	<p>Ongoing Advice has been sought from the Work Scheduling Unit; however, a meaningful form of analysis is to be determined.</p> <p>A report undertaken by Ham Associates referred to the HSE fatigue and risk assessment, which can be used to compare work patterns.</p> <p>A new version of this index has been obtained and is to be applied in the Control Room. An in-depth evaluation will take place once this system is established.</p>
		<input type="checkbox"/> Consider use of HSE fatigue and risk assessment index.	H&SO	To be determined	To be determined	<p>Ongoing As a result of these recommendations the Force is now addressing stress and fatigue through the Stress Management Action Plan.</p> <p>A Well Being at Work Survey was conducted in December 2007. Robertson Cooper are due to present their findings and recommendations to Chief Officers in April 2008.</p>

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Long Term Considerations

Ref	Objective	Key Activity	Owner	Timescales	Cost	Update
1	Ensure the best possible ergonomic environment within the room ensuring best practice.	<input type="checkbox"/> Provide more daylight and windows within the DCR.	Head of Estates Management	N/A	N/A	<p>No further action necessary at this time - To be taken into account as part of the Authority's Estate Strategy when considering future building programmes. Estate Strategy Department have had copies of all the ergonomic reports.</p>
		<input type="checkbox"/> Provide height adjustable workstations with greater foot well space.	Head of Estates Management	N/A	N/A	<p>No further action necessary at this time - This objective did not arise from the HSE but from the ergonomist's report. To be considered as part of the Authority's Estate Strategy.</p>
2	Ensure the software in use, fulfils the user requirements.	<input type="checkbox"/> Improve software systems integration on all systems upgrades.	Head of IT Systems	N/A	N/A	<p>Ongoing – This work has now been remitted to the IT Department and will be considered as part of the Force IT Strategy.</p>
3	Minimise the noise levels within the DCR.	<input type="checkbox"/> Obtain cost of acoustically isolating the Customer Service Area from the DCR.	Head of Estates Management	24/09/07	To be determined	<p>Ongoing - Cost of the erection of a wall has been estimated at £7,500. Alternative solutions are currently being sourced by Estates Management and include acoustic screens.</p> <p>Awaiting details of costs and feasibility.</p>

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**To: The Chairperson and Members
of the Resources and Strategy Committee**

Meeting: 10th April 2008

Report of the Chief Constable

Interpreter Fees – Annual Report

1. Purpose

The purpose of this report is to provide members with an annual report including details of; the total annual cost of interpreters, the number of instances where interpreters were used, any reimbursement that might have been received from NASS, Immigration Services etc and the hourly rate being paid to interpreters for this service. The need for this report was highlighted within an Internal Audit review given the potential increase in cost and use of the service.

2. Recommendation

Members are invited to note this report.

3. Background

- 3.1 Merseyside Police works within the National Agreement on the Arrangements for the Attendance of Interpreters in Investigations and Proceedings within the Criminal Justice system. This agreement ensures that Interpreters used are suitably qualified. It stipulates that Interpreters will be registered on the National Register of Public Service Interpreters (NRPSI) unless there are exceptional circumstances. (This agreement is available if required however due to size it has not been circulated with this report).
- 3.2 Service from the NRPSI has been problematic. The NRPSI have strict recruitment conditions for interpreters based on examination, experience and length of residence in the UK. It is difficult for Merseyside Police to directly influence recruitment to the NRPSI. There is a disproportional high number of interpreters in key languages in the south east of England. Local interpreters have often not been available (e.g. available Polish interpreters in Merseyside have recently trebled to 3 – to provide a service to the Police, Probation Service, Courts, Immigration Service etc.). This has resulted in high travel fees (£49,000) due to the use of interpreters from outside the Merseyside area. The Community Relations Department is working with other North West Forces to resolve this issue including looking at outsourcing when no NRPSI interpreter is available (a system currently used by the Merseyside Courts).

- 3.3 BCUs are responsible for paying for their NRPSI interpreters. Community Relations pays for Language Line. Language Line is a telephone based 24 hour interpreter service which uses technology to connect customers to an appropriate interpreter based anywhere in the world. Language Line is used as an aid to obtain initial needs in relation to victims, witnesses and suspects. With a few exceptions any process related to the Criminal Justice System must use a NRPSI interpreter at the earliest opportunity.
- 3.4 In April 2007 Community Relations renegotiated the Language Line contract to reduce the cost per minute of telephone interpreting to a flat rate 80 pence. Previously the rate averaged out at £2.37 per minute over the year. The total cost for Language Line 2006 / 2007 was £39,803.10. Applying the newly negotiated rate would represent a saving of £26, 362.45 (a 66% saving) on that figure.
- 3.5 We recognise that the 2008 Capital of Culture celebrations may see an influx of people for whom English is not their first language. We have put systems in place to deal with their language needs when interacting with the Police e.g. each Police station has a dual phone facility for use of telephone interpreters. The cost for Language Line use has now been reduced significantly. However because of legal obligations there is less scope to reduce the cost of face to face interpreting.

4. **Financial and Staffing Implications**

4.1 Financial Summary of Interpreter Services (Including Language Line):

	Annual Cost	Amount Reimbursed	Total Cost	Number of Times Used	Unit Cost
05/06	£217,304	Not Available	£217,304	Not Available*	Not Available*
06/07	£299,375***	£58,000	£241,375	1762**	£170

* 2005/6 Data Collection System precludes ease of access to this information.

** Where interpreters are extensively used for a single Operation, the multiple use of interpreter services is typically consolidated into one entry. Thus the true figure for number of times used will be greater than this figure.

*** Gross figure without Immigration Service reimbursement shown

Part year cost: April 2007 – Sept 2007 £112, 631 (Half Year)

4.2 Reimbursements

The Immigration Service now provide their own face to face interpreters for their detainees held at Merseyside Police Custody Suites. Merseyside Police now recharge the Immigration Service for use of custody suites to cover use of Language Line interpreter services, medical examination and other costs:

April 2007 – Sept 2007 £37,310
 April 2006 – March 2007 £58,000

This money is returned to the BCUs.

- 4.3 BCUs and Departments have paid £77,459 more for NRPSI interpreter services in 2006/7 than in 2005/6.
- 4.4 The hourly rates being paid to interpreters for this service are attached at Appendix 1. This rate has not changed since 2006.
- 4.5 There are no staffing implications.

5. **Equality and Diversity Impact Assessment**

Interpreter use within Criminal Justice matters is governed by the Police and Criminal Evidence Act (PACE) 1984 and the National Agreement as detailed above. The PACE Codes of Practice and the National Agreement require that a NRPSI interpreter is used in the first instance. This affords protection to the diverse community and addresses equality issues.

6. **Risk Assessment**

Not using an interpreter or not using a NRPSI registered interpreter could be deemed to breach PACE. This may in turn invoke provisions under Section 78 of PACE rendering evidence as inadmissible, adverse to the fairness of the proceedings.

7. **Conclusion**

- 7.1 Interpreter Fees for April 2006 to March 2007 have risen by 38% due to increased use of interpreters. However results for the first half of 2007 / 2008 indicate that we are returning to expenditure levels of 2005 / 2006. The primary reasons for a reduction in 2007 / 2008 expenditure to date relates to a renegotiated rate with Language Line, effective identification and recharge for Immigration matters, a reduction in NRPSI subscription and a freezing of NRPSI hourly interpreter rates.
- 7.2 Census data (2001) for the population of Merseyside is out of date. Merseyside Police uses a variety of methods to track changes to demographics none of which is definitive e.g. Neighbourhood Profiles, local employment surveys, National Asylum Support Service, Language Line useage etc. There are no reliable official figures but our indicators suggest an increase in the number of people for whom English is not their first language moving into Merseyside. Recent analysis shows Polish as the top language used, being three times greater than the second placed language Kurdish Sorani. The increase in expenditure 2006 / 2007 relates to these expanding diverse communities.

- 7.3 The increase relates to more hours being paid for. A shortage of local interpreters has led to increased travel fees (charged at 80% of hourly rate). Provision of more local interpreters will reduce the overall cost. Community Relations are applying pressure on NRPSI to increase the numbers of local interpreters and reduce the need for interpreters to travel long distances.

Bernard Hogan- Howe
Chief Constable

Contact: (Superintendent John MYLES, ASBTF / Community Relations)
Telephone: 0151 777 8048
Background Papers:

Appendix 1 Merseyside Police Interpreter Rates

MERSEYSIDE POLICE

Interpreting Fees with effect from 1st April 2006

Time Hours	0800- 2000		2000- 0800		24 hours	
	Day	Day travel (80%)	Night / Saturday	Night/Sat travel (80%)	Sunday / Bank Holiday	Sunday/BH travel (80%)
0.5	17.13	13.70	25.70	20.56	34.26	27.41
1	34.26	27.41	51.39	41.11	68.52	54.82
2	68.52	54.82	102.78	82.22	137.04	109.63
3	102.78	82.22	154.17	123.34	205.56	164.45
4	137.04	109.63	205.56	164.45	274.08	219.26
5	171.30	137.04	256.95	205.56	342.60	274.08
6	205.56	164.45	308.34	246.67	411.12	328.90
7	239.82	191.86	359.73	287.78	479.64	383.71
8	274.08	219.26	411.12	328.90	548.16	438.53
9	308.34	246.67	462.51	370.01	616.68	493.34
10	342.60	274.08	513.90	411.12	685.20	548.20
Minimum*	68.52		102.78		137.04	

Rates are in accordance with those set by the Metropolitan Police Linguistic Service, Room 920, New Scotland Yard, 10 Broadway, London, SW1H 0BG

*This does NOT include payment for travelling time

These rates are only intended as a guide. For periods of less than an hour, proportionate rates are paid.

Standard class travelling expenses are reimbursed at cost. Mileage expenses are reimbursed at a rate of 35.7 pence per mile.

Travelling time will be paid at 80% of the relevant interpreting rate.

Telephone Interpreting (rounded to the nearest 15 minutes)

15 mins	8.36	12.53	16.71
30 mins	16.71	25.07	32.42
45 mins	25.07	37.60	50.13

**To: The Chairperson and Members of the
Resources and Strategy Committee**

Meeting: 10th April 2008

Report of the Chief Constable

Tender Monitoring

1. Purpose

- 1.1 The purpose of the report is to inform Members of the tendering process followed by the Force for the purchase of supplies, services or works of a significant amount (over £50,000 in any one case) as provided for in Standing Orders.
- 1.2 The report covers the period 2 October 2007 to 10 March 2008.

2. Recommendation

Members are invited to note the report.

3. Tender process

- 3.1 Under Standing Order 7, the full tender procedure is required for supplies, services or works when the cost estimate is in excess of £50,000.
- 3.2 Under Standing Order 13, when that estimate is in excess of £200,000, the tenders are opened by a panel of Members, but otherwise tenders are opened in-house in the presence of either an ACC or a Civilian Director and a member of the Force Solicitor's staff.
- 3.3 Members asked to be kept informed of how the process had been implemented by receiving details of tenders requested, opened and evaluated, and procurements made. In accordance with Members' wishes, the attached report shows details of tenders where the size of the transaction was estimated as in excess of £50,000.

4. Financial and Staffing Implications

There are no direct staffing implications. All financial implications are given full consideration during the course of each tendering/awarding process and these are set out in the individual reports.

5. Equality and Diversity Impact Assessment

There are no equality or diversity issues associated with this report.

6. **Risk Assessment**

Without proper monitoring of the process of opening tenders and awarding contracts, there is the risk of compromising the integrity and transparency of the system, which could seriously undermine public confidence.

7. **Conclusion**

This report details the tender monitoring process, as requested by Members, who are asked to note this report.

Bernard Hogan- Howe
Chief Constable

Contact: Helen Mercer, Force Solicitor

Telephone: 0151 777 8080

Background Papers: Standing Orders and Tender Monitoring returns from relevant departments

MERSEYSIDE POLICE AUTHORITY

To: The Chairperson and Members of the Resources and Strategy Committee

Meeting: 10 April 2008

Tender Monitoring Summary Sheet

1. **TENDERS OPENED BY THE AUTHORITY (estimated cost more than £200,000)**
 - 1.1 **Half-Hourly Metered Electricity Supply from 1 April 2008**

Estimate:	£600,000.00	(1 year contract)
Successful tender:	£508,977.00	(1 year contract)

(NB. Also see 2.4 below)
 - 1.2 **Non-Half-Hourly Metered Electricity Supply from 1 April 2008**

Estimate:	£700,000.00	(1 year contract)
Successful tender:	£564,301.00	(1 year contract)

(NB. Also see 2.4 below)
 - 1.3 **Firm Gas Supply 1 April 2008**

Estimate:	£500,000.00	(1 year contract)
Successful tender:	£443,442.00	(1 year contract)

(NB. Also see 2.5 below)
 - 1.4 **Internal Building Cleaning Services (4 year contract with option to extend for a further 2 years)**

Estimate:	£5,600,000.00	(4 year contract)
	£8,400,000.00	(6 year contract)
Successful tender:	£6,522,571.56	(4 year contract)
	£9,783,857.34	(6 year contract)
 - 1.5 **Boarding and Veterinary Treatment for Dangerous Dogs (based on 90 dogs per annum)**

Not yet let. Will report in the next Monitoring Report
 - 1.6 **Insurance Services (Property and Fidelity)**

Not yet let. Will report in the next Monitoring Report

2. TENDERS OPENED IN-FORCE (estimated cost more than £50,000 but less than £200,000)

2.1 St Anne Street Custody Suite – Main Contract Refurbishment of Six Cells

Estimate: £90,291.58
Successful tender: £74,245.91

2.2 Police HQ Refurbishment of Bar Area to Offices – Main Contract

Estimate: £109,000.00
Successful tender: £115,986.00

2.3 Police HQ Replacement of Generator and Uninterrupted Power Supply Equipment – Main Contract

Estimate: £195,000.00
Successful tender: £149,747.00

2.4 Electricity Supply

(Cross-reference to 1.1 and 1.2 above)

2.5 Gas Supply

(Cross-reference to 1.3 above)

In August 2007, to test the volatile energy market and to try and take advantage of it, and in advance of the contract being time critical, tenders for these supplies were invited and opened. The whole exercise was abandoned, as, on opening, all the potential suppliers, bar one, had refused to hold their prices for the time necessary for that opening to take place. The fact that prices were withdrawn illustrated the very volatility that had prompted the exercise.

Given the potential values of these supply contracts, such tenders should have been opened by a panel of Members at the Authority, but, in error, were opened at Police HQ. This was recognised and confirmed by Internal Audit and subsequent tenders (see 1.1, 1.2 and 1.3 above) were opened at the Authority.

- | | |
|---|--|
| 2.6 Police HQ – Upgrade of Security | Not yet let – to be reported in next Monitoring Report |
| 2.7 Provision of a High Volume Black and White Photocopier | Not yet let – to be reported in next Monitoring Report |
| 2.8 Body Worn Video Recording Devices | Not yet let – to be reported in next Monitoring Report |

MERSEYSIDE POLICE AUTHORITY

STANDING ORDER 7

PURCHASES OVER £50,000

TENDER MONITORING

**1. TENDERS OPENED BY THE AUTHORITY
(Estimated cost more than £200,000)**

1.1 HALF-HOURLY METERED ELECTRICITY SUPPLY CONTRACT

a) A description of the works/supply required with an indication of how the work/procurement fits force development/strategy:

The supply of electricity to a number of Merseyside Police Authority Premises commencing 1 April 2008.

b) Estimated cost and how arrived at:

£600,000.00 per annum

Due to continuing volatility in the wholesale energy market, it was difficult to estimate with any degree of accuracy. However, the above estimate was based on the prevailing wholesale price for electricity of £52/MWh and 2006-07 consumption data.

c) Expressions of interest/Invitation to tender: (the numbers in each case)

10 Expressions of interest
10 Invitations to tender were issued

d) Companies submitting tenders – listed alphabetically:

BizzEnergy
Npower
ScottishPower PLC
Scottish Southern

e) Tender prices – listed in price order:

£508,977.00 (1 Year Contract)
£509,225.00 (1 Year Contract)
£512,532.00 (1 Year Contract)
£548,349.00 (1 Year Contract)

Suppliers submitted a schedule of rates excluding Climate Change Levy or Green Energy premium for a number of contract periods (1,2 and 3 years).

After considering various market factors, a recommendation was made to the Director of Resources to accept a 1 Year Contract offer.

f) **Successful tenderer:**

ScottishPower PLC

g) **Successful tender sum:**

£508,977.00 per annum

h) **Criteria for awarding contract:**

Lowest annual cost over the contract period and the percentage of Green Energy Supplied.

i) **Any particular conditions:**

Consolidated invoicing supported by detailed site consumption and costs schedules via a secure Internet website.

j) **Consultants costs**

£833.33 for Market Intelligence, Advice and Analysis.

1.2 NON-HALF-HOURLY METERED ELECTRICITY SUPPLY CONTRACT

a) **A description of the works/supply required with an indication of how the work/procurement fits force development/strategy:**

The supply of electricity to a number of Merseyside Police Authority premises commencing 1 April 2008.

b) **Estimated cost and how arrived at:**

£700,000.00 per annum

Due to continuing volatility in the wholesale energy market, it was difficult to estimate with any degree of accuracy. However, the above estimate was based on the prevailing wholesale price for electricity of £52/MWh and 2006-07 consumption data.

c) **Expressions of interest/Invitation to tender: (the numbers in each case)**

10 Expressions of interest
10 Invitations to tender were issued

d) **Companies submitting tenders – listed alphabetically:**

BizzEnergy

ScottishPower PLC
Scottish Southern

e) **Tender prices – listed in price order:**

£564,301.00 per annum	(1 Year Contract)
£589,276.00 per annum	(1 Year Contract)
£627,240.00 per annum	(1 Year Contract)

Suppliers submitted a schedule of rates excluding Climate Change Levy or Green Energy Premium for each Contract Period.

After considering various market factors, a recommendation was made to the Director of Resources to accept a 1 Year Contract offer.

f) **Successful tenderer:**

ScottishPower PLC

g) **Successful tender sum:**

£564,301.00 per annum

h) **Criteria for awarding contract:**

Lowest annual cost over the contract period and the percentage of Green Energy supplied.

i) **Any particular conditions:**

Consolidated invoicing supported by detailed site consumption and cost schedules via a secure Internet website.

j) **Consultants costs**

£833.33 for Market Intelligence, Advice and Analysis.

1.3 FIRM GAS SUPPLY

a) **A description of the works/supply required with an indication of how the work/procurement fits force development/strategy:**

The supply of firm gas to a number of Merseyside Police Authority Premises commencing 1 April 2008.

b) **Estimated cost and how arrived at:**

£500,000.00 per annum

Due to continuing volatility in the wholesale energy market, it was difficult to estimate with any degree of accuracy. However, the above estimate was based on the prevailing wholesale price of gas of 52p/Therm and 2006-07 consumption data.

c) **Expressions of interest/Invitation to tender: (the numbers in each case)**

8 Expressions of interest
8 Invitations to tender were issued

d) **Companies submitting tenders – listed alphabetically:**

Centrica (British Gas)
Coronaenergy
Scottish Southern

e) **Tender prices – listed in price order:**

£432,937.00 per annum (1 Year Contract)
£443,442.00 per annum (1 Year Contract)
£453,203.00 per annum (1 Year Contract)

The lowest tenderer withdrew their offer, despite the fact that they were contacted in accordance with the time constraints set out in the invitation to tender.

Suppliers submitted a schedule of rates excluding Climate Change Levy for a number of contract periods (1, 2 and 3 years).

After considering various market factors, a recommendation was made to the Director of Resources to accept a 1 Year Contract offer.

f) **Successful tenderer:**

Scottish Southern

g) **Successful tender sum:**

£443,442.00 per annum (1 Year Contract)

h) **Criteria for awarding contract:**

Lowest annual cost over the contract period.

i) **Any particular conditions:**

Consolidated invoicing supported by site detail schedules via a secure Internet website.

i) **Consultants costs**

£833.33 for Market Intelligence, Advice and Analysis.

1.4 INTERNAL BUILDING CLEANING SERVICES (4 YEAR CONTRACT WITH OPTION TO EXTEND FOR A FURTHER 2 YEARS)

a) **A description of the works/supply required with an indication of how the work/procurement fits force development/strategy:**

The contract is to provide internal building cleaning services to all locations occupied by Merseyside Police. The services are required to support frontline policing and are an essential part of compliance with Health and Safety

legislation and various “duty of care” obligations. The contract period is for 4 years, with an option to extend for another 2 years.

b) **Estimated cost and how arrived at:**

£1,400,000.00 per annum (plus wage settlements)
£5,600,000.00 for 4 years
£8,400,000.00 for 6 years

A mathematical formula using target productivity rates (the number of square metres cleaned per hour), target frequency of cleaning and the floor area of each location was used to identify target cleaning hours for the force. Current on-costs, such as cleaning materials, equipment and management and supervisory costs were added to give an estimated cost.

c) **Expressions of interest/Invitation to tender: (the numbers in each case)**

33 Expressions of interest
20 Invitations to tender were issued

d) **Companies submitting tenders – listed alphabetically:**

In-house team
KGB
Mitie
Ocean
Superclean

One other tender was received, but not considered, because it did not follow the specific instructions regarding the submission of tenders for compliance with MPA Standing Orders, namely the use of the tender envelope supplied for the submission of the bid.

e) **Tender prices – listed in price order:**

£1,417,293.31 (per annum) amended to £1,547,367.00 after mathematical errors found
£1,629,203.10 (per annum) amended to £1,639,203.00 after mathematical errors found
£1,630,642.89 (per annum)
£1,643,624.89 (per annum)
£2,017,640.70 (per annum)

f) **Successful tenderer:**

In-house team

g) **Successful tender sum:**

£1,630,642.89 per annum
£6,522,571.56 (4 Year Contract)
£9,783,857.34 (6 Year Contract)
(all subject to wage settlements via Police Staff Council)

h) **Criteria for awarding contract:**

The award criteria were:-

Submissions
Service Delivery
Quality of Service
Price
TUPE
Environmental Issues
Flexibility and Risk Assessment

The lowest bid was deficient in a number of respects:-

- submission lacked clarity and had omissions
- supply arrangements were not clear
- problematic recruitment practices
- limited evidence of training for all grades of staff in both technical and Health and Safety issues
- references had varying assessments of how the company would deal with emergencies
- no information about managing changes / additions to the Authority estate
- a medium risk of failure overall and a high risk of non-performance of specifics.

The lowest tender was therefore rejected and the second lowest accepted.

i) **Any particular conditions:**

No

j) **Consultants costs**

None

2. TENDERS OPENED IN FORCE (more than £50,000 and less than £200,000)

2.1 ST ANNE STREET CUSTODY SUITE – MAIN CONTRACT REFURBISHMENT OF SIX CELLS

a) A description of the work/supply required with an indication of how the work/procurement fits force development/strategy;

The six cells at St Anne Street Custody Suite have been designated as critical cells and are to be refurbished to the latest Home Office standards, including the provision of life sign monitors within the cells.

b) Estimated cost and how arrived at:

£90,291.58

An external firm of consultants was engaged by the Estate Management Department to prepare a Bill of Quantities.

c) Expressions of interest/invitation to tender: (the numbers in each case)

6 Companies invited to Tender

All Companies selected are on the Approved List of Contractors. Three Companies were chosen from the rotated list and three were selected by the Project Officer based on the Company's past performance and obtaining value for money.

6 Companies responded on time.

d) Companies submitting tenders – listed alphabetically:

Garside Laycock
Hardaker Construction Limited
Harry Fairclough Construction Limited
North West Construction Limited
White Building Services Limited
Whitfield and Brown Limited

e) Tender prices – listed in price order:

£74,245.91
£92,791.00
£102,312.00
£117,345.81
£118,449.00
£125,930.00

f) Successful tenderer:

Hardaker Construction Limited

g) Successful tender sum:

£74,245.91

The price indicates that the Contractor has costed this project very competitively and probably reflects their current workload. The figures have been checked and the Contractor has confirmed their price.

h) **Criteria for awarding contract:**

Contract awarded to lowest tenderer

i) **Any particular conditions:**

None

j) **Consultants costs:**

£16,000.00

Cost includes pre-tender survey, specifications / drawings for building, mechanical and electrical work, Quantity Surveyor's estimate, work relating to CDM regulations, supervision / management of the Contractors.

2.2 **POLICE HQ REFURBISHMENT OF BAR AREA TO OFFICES – MAIN CONTRACT**

a) **A description of the work/supply required with an indication of how the work/procurement fits force development/strategy;**

Main Contract: Police HQ (Amenity Block) – Refurbishment of Bar Area into Office Accommodation.

The proposal was to convert the former HQ bar and snooker room into open plan office space and interview suite accommodation. The scheme will enable the recentralisation of the Recruitment and Resourcing team, providing accommodation for 32 staff. The space will also allow assessment centres to be run in-force when used in conjunction with other conference facilities within HQ Amenity Block. The space can also be utilised for meetings by other departments within the force when not being used for interviewing.

The relocation of Recruitment and Resourcing will also free up their existing space in HQ, which can be used to ease accommodation issues within the department and provide space for other functions in the force.

b) **Estimated cost and how arrived at:**

£109,000.00

An external firm of consultants was engaged by the Estate Strategy Department to prepare a Bill of Quantities.

c) **Expressions of interest/invitation to tender: (the numbers in each case)**

6 Companies invited to tender

All Companies selected are on the Approved List of Contractors. Six Companies selected were chosen from the rotated list.

5 Companies responded on time

One Company failed to respond on time and was therefore not considered.

d) **Companies submitting tenders – listed alphabetically:**

Allenbuild North West Limited

Hardaker Construction Limited

J Hawkins Limited

MJ Quinn Integrated Services Limited

Whitfield and Brown Limited

e) **Tender prices – listed in price order:**

£115,986.00

£116,597.00

£116,803.00

£117,008.00

£131,390.00

f) **Successful tenderer:**

Hardaker Construction Limited

g) **Successful tender sum:**

£115,986.00

h) **Criteria for awarding contract:**

Contract awarded to lowest tenderer

i) **Any particular conditions:**

None

j) **Consultants Costs**

£6,378.55 – to supply pre-contract services on Quantity Surveying, Mechanical and Electrical, and Structural Engineering issues.

2.3 POLICE HQ REPLACEMENT OF GENERATOR AND UNINTERRUPTED POWER SUPPLY EQUIPMENT – MAIN CONTRACT

a) **A description of the work/supply required with an indication of how the work/procurement fits force development/strategy;**

Main Contract: Police HQ – Replacement of Essential Services, Generator, UPS and Associated Equipment.

Scope of works: Upgrade the power infrastructure supporting essential IT systems at HQ.

The upgrade includes the purchasing of specialist equipment, ie a 550KVa generator and an 80KVa UPS – both types of equipment to be installed within the existing services, complete with proprietary switchgear and associated cabling.

b) **Estimated cost and how arrived at:**

£195,000.00

An external firm of consultants was engaged by the Estate Management Department to prepare a Bill of Quantities.

c) **Expressions of interest/invitation to tender: (the numbers in each case)**

6 Companies were invited to tender

All Companies selected are on the Approved List of Contractors. Three Companies were chosen from the rotated list and three were selected by the Project Officer based on the Company's past performance and obtaining value for money.

6 Companies responded on time

d) **Companies submitting tenders – listed alphabetically:**

Banson Electric Company Limited
BR Electrical and Mechanical Services
Cox & Tyrer Limited
Glyn Nuttall Limited
MJ Quinn Integrated Services Limited
Power Protection Engineering

e) **Tender prices – listed in price order:**

£149,747.00
£155,372.91
£159,457.95
£163,065.96
£163,883.00
£183,102.73

f) **Successful tenderer:**

Glyn Nuttall Limited

g) **Successful tender sum:**

£149,747.00

Costs were discussed with Glyn Nuttall, who confirmed their costs are as quoted, with their overheads and profit being less due to their operating parameters.

h) **Criteria for awarding contract:**

Contract awarded to lowest tenderer

i) **Any particular conditions:**

None

j) **Consultants Costs**

Electrical survey works associated with the above works	£3,750.00
Design Fees, Drawings, Specification etc	£9,000.00



**To: The Chairperson and Members
of the Resources and Strategy Committee**

Meeting: 10th April 2008

Report of the Chief Constable

Health and Safety – Scientific Support Department

1. Purpose

The purpose of this report is to inform the authority of Health and Safety relevant to current and future Laboratories.

2. Recommendation

- 2.1** It is recommended that the Police Authority agree that a further report on the outcome of an independent review of Health and Safety within the Scientific Support department be submitted to a future meeting of the resources and Strategy Committee.

3. Background

- 3.1** Members of the Authority visited the Scientific Support Department (SSD) situated in Police Headquarters on 22nd November 2007.
- 3.2** During the visit they met with staff from the Trace Evidence Recovery Facility and where shown the laboratory.
- 3.3** Following this visit issues were raised in respect of Health and Safety with regard to current levels of accommodation and chemical examination.
- 3.4** At the meeting on Thursday 28th February 2008, Members of the Resources and Strategy Committee considered a report of the Chief Constable and Chief Executive on an update of progress against the approved action plan relating to the 2006 Health and safety Executive inspection. The committee resolved “that a full Health and safety risk assessment of the current level of accommodation in the forensic laboratories at Headquarters be submitted to the next meeting of the committee”.

4. Health and Safety.

- 4.1** In 2005 a Trace Evidence Recovery Facility (TERF) was installed at Merseyside Police Headquarters for the recovery of primary trace materials from exhibits such as firearms along with a laboratory for the chemical enhancement of fingerprints.
- 4.2** All processes and procedures conducted within the laboratories are audited annually under the provision of BSEN/9001/2000 accreditation.
- 4.3** Merseyside fully comply with the requirements of the NPIA (National Policing Improvement Agency) Laboratories Manual of Guidance.
- 4.4** Health and Safety remains a high priority within the Scientific Support Department and the current laboratory facilities. The Approved codes of practice allow for 11 cubic metres of space per person as reasonable. The laboratory and current processes are compliant with this requirement.
- 4.5** The Good Practice Laboratory Regulation 1999 delegate Health and Safety responsibilities to the Scientific Support Department. These responsibilities are noted on the SSD Safety Policy arrangements document. These regulations also refer to the size and construction of a laboratory in order to ensure safety. The Force Health and Safety Section have audited the SSD. The SSD was found to be maintaining a good standard of Health and Safety.
- 4.6** To ensure the Health & Safety of staff the following take place:
- All duties are risk assessed.
 - Home Office Safe Systems of work Guidelines are adhered to.
 - There are designated work areas for all chemical processes.
 - There are three fire exits clearly marked with no obstructions.
 - Unauthorised staff or visitors are not allowed entry unless supervised.
 - A health and Safety audit has been conducted and were marked good.
 - Monthly Health and Safety inspections are carried out and reports is produced for monthly management meetings.
 - All staff are Health and Safety trained and are either IOSH or NEBOSH Certified. (Indicates that all are trained in Health and Safety Procedures).
- 4.7** Any health and safety incidents or near misses are brought to the attention of the senior management and reports completed and any remedial action taken as a matter of priority.
- 4.8** An expansion of the laboratory facilities is currently under review, which if implemented will both improve the allocation of space for examinations and produce savings to the forensics budget. This will be the subject of a report to the next meeting of this committee.
- 4.9** It is intended at the earliest opportunity, in light of the issues raised, that an independent Health and Safety inspection be undertaken of all laboratories.

5. **Financial and Staffing Implications**

There are no staffing or financial implications at this time.

6. **Equality and Diversity Impact Assessment**

There is no equality or diversity issues.

7. **Risk Assessment**

Failure to comply with Health and Safety regulations may place the staff at risk.

8. **Conclusion**

8.1 All current Health and Safety reports demonstrate that Health and Safety within the laboratories is good.

8.2. An independent review of Health and Safety, which will include the new laboratory facilities, will be undertaken as soon as possible. This review will be reported to the resource and strategy Committee once complete.

**Bernard Hogan- Howe
Chief Constable**

**Contact: David Smith - Forensic Performance Manager
Telephone: 0151 777 8435
Background Papers: None**



To: The Chairperson and Members
of the Resources & Strategy Committee

Meeting: 10th April 2008

Report of the Chief Constable

Provision of Custody Healthcare Services

1. Purpose of Report

- 1.1 To update the Committee of the review of FME provision, incorporating current 'baseline' management/performance information to illustrate: type & location of demand and FME costs.
- 1.2 To advise of alternative models of custody healthcare provision within Police Forces countrywide.
- 1.3 To advise members of the Chief Officers' decision to deploy a cadre, consisting of 7 NHS Band 6 FNPs (Forensic Nurse Practitioners) and 1 NHS Band 7 FNP supervisor to be deployed within Liverpool North BCU. Merseyside Police will employ the FNPs, on contract. Although the team will be based at St. Anne Street custody suite, it will provide cover for Wavertree Road and other custody suites (primarily Wirral).
- 1.4 That FMEs continue to deliver custody based healthcare, but that the current numbers be reviewed and adjusted to a level commensurate with the proposed number of FNPs.
- 1.5 That the arrangements for delivering Sexual Offences and Child Abuse Panel (SOCAP) -related FME services be continued and a 'watching brief' be maintained to identify emerging trends that might support the consideration of an alternative method of service provision.

2. Recommendations

The Committee is invited to note this report.

3. Background

- 3.1 Since January 2005, several reports have been submitted to Merseyside Police Authority (MPA) and Chief Officer Group (COG) regarding the Force's FME provision. Each has highlighted issues around the availability of management & performance data, quality of service and financial governance. Also alternative custody healthcare options adopted by other Forces have been considered, including:

1. Outsourcing (either as a stand-alone arrangement or as part of a consortium)
2. Direct employment of doctors / nurses / paramedics
3. Partnership arrangements with local NHS trusts

(See Appendix One)

- 3.2 The most appropriate course of action was to initiate a revised Force-wide healthcare model based upon a 'hybrid' of traditional FME provision, with the addition of a cadre of directly employed Forensic Nursing Practitioners (FNPs – formerly Custody Nurses). The latter to be located at St. Anne Street custody suite to provide 'on site' cover, as well as servicing Wavertree Road and Wirral Custody Suites.
- 3.3 In relation to management and performance data, the Force has addressed this problem by rolling out a new FME information system developed by Axiot Ltd. This system automates FME business processes and supports 'workflow' or tasking requests via e-mail. Payment processing functionality will also be incorporated and once this has been incorporated into the system it will be reviewed by Internal Audit.

4. Provision of Custody Healthcare Services

- 4.1 The general recommendations were approved by Chief Officers in February 2008, as it had been demonstrated that the 'critical mass' effect - whereby directly employed FNPs are more cost effective than traditional FMEs, i.e. in providing custody healthcare provision, has been reached at the St. Anne Street, Wavertree Road & Wirral 'cluster' of custody suites.
- 4.2 As the 'critical mass' effect does not apply to the remaining Merseyside custody suites it is more cost effective to retain FME services at those suites.

5. Equality & Diversity Impact Assessment

- 5.1 There are no equality or diversity issues as a consequence of the changes proposed in this report.

6. Financial and Staffing Implications

- 6.1 The Force's Total Policing ethos of "War on Crime" has resulted in increased numbers of arrests and a rise in demand for FME custody service provision. This has led to an inexorable rise in the overall cost of service delivery.
- 6.2 The year-on-year FME Total Net Expenditure has increased from £1,480,606 (2006/07) to £1,682,322 (2007/08 projected) and £1,732,391 (2008/09 projected).

- 6.3 In effecting the revised healthcare model outlined in paragraph 3.2 above, it is estimated that the cost savings for Year 1 (2008/09) would be **£219,705**, projected to rise to **£307,640** in year 5 (2012/13). Please note that these figures are per full year of implementation not the financial year. Given the decision was only taken by COG in February 2008, and the fact that it was unclear when these changes would be implemented, it was too late to incorporate these savings into the 2008/09 budget report. However, any savings accrued will help to contain cost pressures in other areas of the budget, particularly with regard to any emerging risks that may be needed to be addressed.
- 6.4 Provided the parameters indicate 24/7 demand for custody healthcare, it is more cost effective to directly employ FNPs, particularly as the vast majority of medical procedures / duties can now be performed by FNPs. A team of seven NHS Band 6 FNPs (equivalent to police support staff grade F4 – mid point), supported by 1 FNP Supervisor (equivalent to police support staff grade G7/H1) would provide adequate 24/7 cover to meet the demands of St. Anne Street, Wavertree Road and Wirral Custody Suites.

7. Risk Assessment

- 7.1 The main risks relate to achieving a balance between ensuring that the service both continues to provide value for money, as well as being effective and efficient. Accordingly, any business changes to the existing FME provision would have to be on the basis of sound professional advice from the procurement department in consultation with experts in custody and fully documented with a structured project.
- 7.2 There is also the risk of FMEs withdrawing their services, when the Force proceeds with directly employing FNPs. An early and transparent dialogue has been established with the FMEs in order to mitigate this risk and to explain the rationale behind the new model.

8. Conclusion

As a result of decisions made by Chief Officers in relation to the provision of Custody Healthcare Services an implementation plan based on the above criteria is being created for consideration and approval by the Chief Officer Group.

Bernard Hogan- Howe
Chief Constable

Contact: Chief Superintendent Chris Armitt, Corporate Criminal Justice
Telephone: 0151 777 1950
Background Papers: None

**APPENDIX ONE – MATRIX SHOWING COMPARATIVE FME BASELINE DATA
FORCES A – D INCLUSIVE**

PARAMETER	Force A	Force A	Force B	Force B	Force C	Force C	Force D	Force D
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
	FMEs only	FMEs only	FMEs only	FMEs only	Directly employed FNPs	Directly employed FNPs	Directly employed FNPs	Directly employed FNPs
Annual Volume of Detainees	54,799	63,732	146,242	Pending	£58,074.00 (2006/07 average)	£58,074.00 (2006/07 average)	50,910.00	52,110.00
Volume of calls for service	Unobtainable	21,764 includes 'repeat visits'	37,489.00	Pending	Unobtainable	3,185 FNP examinations . FME call volumes unavailable	FNP - 17,391.00 (96.13% of calls) FME - 701.00 (3.87% of calls)	FNP - 18,426 (97.5% of calls) FME - 468 (2.5% of calls)
% Detainees subject to medical intervention	Unobtainable	Not calculable due to inclusion of repeat visits in volume of calls for service	25.63%	Pending	Not calculable to due missing data	Not calculable to due missing data	25% (approx.)	25% (approx.)
Budgeted FME costs	£1,401,695.00	£1,382,322.00		Pending	Unobtainable	Unobtainable	Unobtainable	Unobtainable
Actual Spend	£1,480,606.00 Includes: £34,074.00 - (FME co-ordinator salary) & £36,874.00 (one-off costs to refurbish CCTV equipment)	£1,682,322 (proj) Includes £34,074.00 (FME co-ordinator salary)	£1.88 million	Pending	FNP provision only £482,000.00 (total) £467,000.00 -(recruitment costs & salary) £3,000.00 - medical requisites £6,000.00 - transport & travel £6,000.00 - equipment (phones & uniforms, etc)	FNP provision only £529, 246.21 (total) £502, 764.22 (salary) £1,552.63 - medical requisites £8, 435.76 - transport & travel £5,511.6 - equipment (phones & uniforms, etc)	FNP - £830,000 (Budget breakdown not provided) FME - £305,000 Total Cost: £1,135,000	FNP - £1,072,336 (Budget breakdown not provided) FME - £324,035 Total Cost: £1,484,641
Healthcare Professional cost per call out (custody only)	Unobtainable	£61.80 (FME) (Averaged)	81.38 (FME)	Pending	FNP Data unobtainable FME Data unobtainable	£144.10 (FNP) (Figure artificially high as repeat visits excluded) FNP Data unobtainable	£47.72 (FNP) FME Data unobtainable	£58.20 (FNP) FME Data unobtainable

APPENDIX – MATRIX SHOWING COMPARATIVE FME BASELINE DATA
FORCES E – H INCLUSIVE