

Minutes of the Joint Cleveland Audit Committee – Open Session

A meeting of the Cleveland Joint Audit Committee was held on 23rd June 2016 in the PCC's Conference Room, Police HQ.

Present: Mrs. Ann O'Hanlon (Chair), Mr. Stan Irwin, Mr. Gerard Walsh, Mr. Aslam Hanif and Mr Roman Pronyszyn

Officials: Mr. Barry Coppinger and Mr. Michael Porter (Office of the Police & Crime Commissioner)
T/DCC Simon Nickless, Mr. Graeme Slaughter, Miss Kate Rowntree, T/Supt Bev Gill and Mr. Steve Walton (Cleveland Police)
Mr. Daniel Harris & Mr. Phillip Church (Internal Audit), Ms. Diane Harold (External Audit)

325 **Apologies for Absence**

Apologies for absence were received from Mr Simon Dennis (OPCC), and Mr Cameron Waddell (External Audit)

326 **Open Minutes of the Previous Meeting held on 24th March 2016**

A Member queried the wording of the third paragraph of minute 300 regarding the Diversity & Equality risk. The Chair and members agreed that this could be re-worded.

One of the members was pleased to note that work has commenced on the risk assurance mapping, and requested to be kept informed of its progress. This was agreed.

Members thanked Graeme Slaughter, Force CFO, for providing the clarification on the £47k imprest that was queried at the last meeting.

Ordered that:

1. Subject to the one amendment, the minutes were held as a true record.

327 **Professional Standards Update – Report of the Chief Constable**

The Head of Professional Standards presented the report, providing an update on the work of the Professional Standards Department and an overview of the number and types of complaints received during the period 1st December 2015 to 31st May 2016.

The Head of Professional Standards identified that complaints of incivility are an area of concern. However, Members can take reassurance that this is being addressed through the Everyone Matters programme and the work the force is doing on wellbeing. In addition to these, the Professional Standards Department (PSD) have held roadshows across the force promoting the

importance of civility.

Members were advised that the Professional Standards Department is now encouraging a more reflective approach rather than a punitive approach. As part of this change in approach, the 'Lessons Learnt' document has been revised and updated with links to the Code of Ethics.

The Head of Professional Standards advised members that the format of the report would be updated for their meeting in December. Members requested that the 'Lessons Learnt' appendix of the report was retained as they found this very useful.

One of the members questioned the number of suspensions for equality and diversity allegations.

The T/DCC explained that the Everyone Matters work has increased confidence, and created an environment for officers and staff to come forward with allegations.

A member sought clarification on how the 'Lessons Learnt' document was circulated across the Force.

The Head of Professional Standards advised that the document is available on the Professional Standards sharepoint site and is sent directly to each operational Sergeant for them to discuss with their teams.

The Chair commented that the People Intelligence Board (PIB) was an innovative approach and questioned that force had formally assessed, how it was working.

The T/DCC advised members that the original concept had been initiated by Wiltshire Police, and forces were developing it in different ways across the country. It was noted that there had not been an assessment of whether the PIB was working, but there were clear examples of cases where conduct issues had been prevented by addressing welfare issues following concerns being raised in the PIB. The T/DCC agreed to consider how to review the effectiveness of the PIB.

One of the members questioned the high figure for the number of days to finalise allegations by local investigation.

The Head of Professional Standards advised members that the figure was skewed by the impact of some long running cases, which are now moving towards a conclusion, one of which has been running for three years. If these cases were removed, the average number of days would half, bringing the force in line with national and MSF figures. The Head of Professional Standards agreed to provide additional clarity on these figures in future reports.

The PCC advised the Committee that he had a high degree of confidence in

the senior officer team of the Force, and in Bev Gill as the Head of Professional Standards.

Ordered that:

1. the report be noted.

328

Annual Health & Safety Report – Report of the Chief Constable

The Operational Planning and Safety Manager presented the report updating members on health and safety and fire safety within Cleveland Police for the period 1st April 2015 to 31st March 2016.

Members were advised that the Health & Safety Policy was jointly owned by the PCC and Chief Constable, and that it will be refreshed in September in line with good practice.

A member questioned the increase in assaults and injuries whilst restraining a person, and whether the causational factors were being looked at.

Members were advised that work to understand the issues had commenced, with all officers who had been assaulted having been sent a questionnaire to understand the circumstances of the incident. This has generated a lot of detail that is now to be analysed.

Members look forward to seeing the results of the analysis.

One of the members questioned whether the training listed at paragraph 3.13 of the report was all compulsory training.

Members were advised that not all courses were compulsory, as a number of courses were specific to some areas.

Ordered that:

1. the report be noted.

329

Annual Governance Statement – Report of the Chief Constable

The Force CFO informed members that no changes had been made to the Annual Governance Statement following the presentation of the draft statement to members at the March meeting, as no comments had been received.

The Force CFO advised members that HMIC will be in headquarters week commencing 27th June for the first part of the PEEL assessment, and that the Force was confident that the inspectors will see improvements from last year.

The Chair queried when the force would receive a response on the inspection.

The T/DCC advised members that a debrief will be provided the week after

the inspection, with the report not being published until the Autumn, and the final PEEL assessment being published in February/March 2017.

The PCC shared with members his concerns over the length of time from inspection to the issuing of a report. The PCC also advised members that all reports are subject to a process of national moderation, so any gradings given during the debrief are subject to change.

A member requested clarification on two points in the statement:

- the change from a numeric approach of measuring performance to a more qualitative approach
- the arrangements in place to support whistleblowing

The Force CFO agreed to make the amendments.

Internal Audit requested two amendments to the statement which were accepted by the Force.

Ordered that:

1. the statement be agreed.

330

Annual Governance Statement – Report of the PCC’s Chief Executive

The PCC’s CFO informed members no comments had been received on the draft Annual Governance Statement presented to members at their March meeting.

The PCC’s CFO advised members that the opinion of the Head of Internal Audit had now been reflected in the statement following the publication of annual report.

Ordered that:

1. the statement be agreed.

331

Statement of Accounts – Report of the PCC’s CFO

The PCC’s CFO advised Members that the draft accounts were presented for their consideration in advance of the final accounts being presented at the Audit Committee meeting in September.

The following points were brought to members attention:

- the pensions liability is underpinned by the Government
- the level of reserves has increased, but not significantly, and it is expected that this will reduce over the next four years
- the contingent liabilities are areas of potential payout, but not yet reflected in the statement of accounts

The Chair reminded members that Stan Irwin (Vice Chair) had agreed to meet with the PCC’s CFO to go through the accounts, post audit, in detail.

One of the members sought clarification over the level of assets for sale as this had reduced.

The PCC's CFO explained that the sale of the Ladgate Lane site has been agreed in stages, and that the first part of land had been sold.

The Force CFO advised members that the accounts process has been streamlined and is much smoother than in previous years.

Members noted that they welcomed the feedback from External Audit on the accounts process this year.

Ordered that:

1. the draft statement of accounts be noted.

332

Revised Contract Standing Orders – Report of the PCC's CFO

The PCC's CFO informed members of the proposed changes to the PCC's Contract Standing Orders, following the TUPE transfer of the Procurement Team from Sopra Steria back to Cleveland Police.

The Chair questioned why the Procurement Team had returned to the Force.

The Force's CFO advised members that a significant piece of work had been completed with Sopra Steria, known as 'Strategic Intent', to redefine the scope of the contract, and to generate savings. The revised contract will see the force saving £2m per annum. As part of the agreement, several teams have returned to the employment of the Chief Constable following a TUPE transfer. This will allow other collaboration options to be explored.

The PCC's CFO advised that no further changes to the Code of Corporate Governance are expected this year, but that a national review of corporate governance was ongoing.

Members were interested in the detail of the business case for the Strategic Intent agreement. It was agreed that a briefing on this would be arranged.

Ordered that:

1. the revised Contract Standing Orders be agreed.

333

Audit Progress Report – Report of External Audit

Members were informed of the planning work and interim testing that has been completed to date. The External Auditor advised their initial work had not identified any concerns, and that their final report is expected to be completed in early September.

Members were advised that External Audit are seeking an update from HMIC, following their inspection, before they issue their final value for money conclusion.

The T/DCC expressed a note of caution that any opinion expressed by HMIC may still be subject to national moderation.

Ordered that:

1. the report be noted.

334

Annual Internal Audit Report 2015/2016 – Report of Internal Audit

The Internal Auditor presented the report summarising their work during 2015/2016, and the opinions for the Police & Crime Commissioner for Cleveland, and for the Chief Constable of Cleveland Police, based on the work that they had completed.

Members were advised that both organisations had received a positive opinion, and that the content of the Annual Governance Statements matches the Internal Audit opinions.

Members were advised that during the year there was only one occasion when the force did not accepted one medium priority management action, but this does not impact on the opinion given to the Force.

The Internal Auditor advised that there were no conflicts of interest.

One of the members questioned whether the work on Grants and Victims Referral Services had impacted on the opinion for the PCC.

The PCC's CFO advised members that new arrangements have been put in place to address the issues identified. Improvements have been made to the Commissioning and Grants process. The original Victim Support contract was not fit for purpose, but a new contract had now been awarded.

The PCC advised members that the Victim Support service was now being delivered by a local organisation.

The PCC's CFO advised members that audits on Victim Support and Commissioning & Grants are part of the agreed programme of work for 2016/2017.

Ordered that:

1. the report be noted.

335

Internal Audit Progress Report – Report of Internal Audit

The Internal Auditor presented the report detailing the work to date on the 2016/17 plan and the completion of the 2015/16 plan.

Members were advised that the 3 reports originally scheduled to be presented to the June Audit Committee were not available. The internal Force processes to agree reports would have required the draft reports being issued to the

Force by 13th May in order to meet the timescales for the June Audit Committee meeting. These reports have now been issued to the Force in draft.

The Internal Auditor explained that the programme had been re-profiled so members could now expect to receive 5 reports at their meetings in September and December, and 6 reports at the March meeting.

Members were keen to see the reports issued as planned to avoid a backlog of reports as has happened in previous year.

Assurance was given by internal audit that the schedule of dates has been accept and adjusted to coincide with the appropriate audit committees.

Ordered that:

1. the report be noted.

336

Progress Report – Report of Internal Audit

Members were informed that a random cash spot check was undertaken at the Redcar (Kirkleatham) and Hartlepool Headquarters as part of the approved internal audit plan for 2015/16.

The Internal Auditor advised that there were a number of well-designed controls in place that were effective. One medium priority management action had been identified which was agreed by the Force.

The Force's CFO advised members that petty cash has been reviewed resulting in cash being removed from a further three stations, reducing the risk of human error. The use of petty cash will continue to be kept under review.

Ordered that:

1. the report be noted.

337

Corporate Governance Framework – Report of Internal Audit

The Internal Auditor advised members that a review of the Joint Corporate Governance Framework had been completed to assess whether it was appropriately embedded in the Force and how it was communicated.

Members were advised the review was advisory, so no level of assurance was issued, but it was noted that good progress has been made towards a holistic approach.

The Internal Auditor informed members that as part of the review, managers were interviewed about their responses to the Annual Governance Assurance Survey, and they could all articulate the governance arrangements in place.

The review identified three management actions which were accepted by the Force.

Ordered that:

1. the report be noted.

338

Draft Audit Committee Annual Report – Report of the Cleveland Joint Audit Committee

The Chair thanked the PCC's CFO for preparing the report for members' consideration.

The Chair and members asked for the following amendments to be made:

- remove the reference to induction session
- include attendance at the Police & Crime Panel
- include conferences attended by members
- include the pre-meets held with internal and external audit

The External Auditor noted that it was good practice to have the pre-meets with the Audit Committee members, but the practice varies across forces.

The Internal Auditor noted that Cleveland was the only area where the pre-meetings were held consistently, and that the regularity of the meetings was welcomed.

Ordered that:

1. the report be noted.

339

Exclusion of the Press and Public

Ordered that;

1. pursuant to the Local Government Act 1972 the press and public be excluded from the meeting under Paragraph 7 of Part 1 of Schedule 12A to the Act.