



Cleveland Joint Audit Committee Meeting Record – OPEN SESSION

Meeting: Cleveland Joint Audit Committee

Date: Tuesday 12 December 2023

Time 10:00 – 12:30

Venue: PCC Office, CPHQ and MS Teams

Meeting Attendance:

Committee Members	
Stuart Green – Chair (SG)	
Gill Rollings (GR)	
Liz Hall (LH)	

Office of the Police and Crime Commissioner	
Lisa Oldroyd (LO)	Chief Executive and Monitoring Officer
Michael Porter (MP)	Chief Finance Officer – OPCC
Emma Keay (EK)	Executive Assistant

Cleveland Police	
Victoria Fuller (VF)	Deputy Chief Constable
Gillian Currie (GC)	HMIC Liaison Officer
Ged Gallagher (GG)	Head of Financial & Payroll Services
Sara Lightfoot (SL)	Organisational Development Manager
Karen Lindberg (KL)	Head of Human Resources
Neal Gilson (NG)	Complaints & Discipline Sergeant
Xanthe Tait (XT)	Director Evolve Legal Services
Louise Solomon (LS)	Head of Corporate Services
John Miller (JM)	Directorate of Standards and Ethics Superintendent

Internal Auditors – RSM UK Risk Assurance Services	
Philip Church (PC)	Senior Manager

External Auditors – Mazars:	
Gavin Barker (GB)	Director - Public and Social Sector
Campbell Dearden (CD)	Manager – Public and Social Sector

Apologies:

Joanne Gleeson (JG)	
Ian Wright (IW)	Director of Finance and Assets – Executive

Agenda Item:	Discussion / Action:	Action Owner:
1.	Apologies for absence: The Chair acknowledged apologies from Ian Wright and Jo Gleeson.	
2.	Declarations of interests: No declarations of interest were made.	
3.	Open Minutes of the previous meeting held on 28 September 2023: The minutes of the previous meeting were deemed an accurate and reasonable record.	
4.	Matter Arising: The proposal to approve the closure of low priority actions, directly by the Force. It was agreed a decision would be delayed until Summer 2024.	
5.	Internal Audit Reports and Plan Progress Update: Philip Church Progress Paper: As a standard agenda item, this report updates members and management on progress of the Internal Audit Plan for 2023/24, that was approved by the Committee in March 2023. Since the last Committee in December 2023, RSM have completed 3 reports: HR, Vetting and the Police and Crime Plan. PC confirmed they are on track to deliver by the end of the year. Only one negative assurance opinion has been issued to date, this is detailed in the HR Report. PC assured members this will not impact on the Head of Internal Audit Opinion, at year end. HR Training Audit Report: The objective of the review is to confirm the Force has an appropriate system in place to manage, record, and refresh training requirements of staff. The conclusion is a partial assurance opinion. This is a negative opinion based on 1 high, 1 medium and 10 low priority management actions, as detailed in the report.	

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	<p>GR, was pleased to see that most of the low priority actions have been closed already.</p> <p>Vetting Audit Report:</p> <p>The objective of the review is to ensure that the Force is complying with the APP vetting guidance.</p> <p>PC, this is a pleasing report the Force have made significant progress since the 2022/23 partial assurance opinion.</p> <p>The conclusion is a positive and a reasonable assurance opinion, based on a 3 medium management actions.</p> <p>Members recognised the significant progress made by the Force, and agreed movement is being made in the right direction.</p> <p>In terms of national comparison VF advised members Cleveland completed the Historical Data Wash, seen recently in the media, ahead of the national timescales. And whilst the vetting failure of new recruits nationally ranges from 0% up to 15%, VF believes the Force is at 15%. And confirmed they are pleased with this, ensuring those who enter Cleveland Police are fit and proper people to do so, based on the information available.</p> <p>VF acknowledged further work is needed, the Corvette system provides some challenges, but the Force would rather wait and be thorough.</p> <p>SG, noted VFs update and welcomed the huge efforts made.</p> <p>Police and Crime Plan Report:</p> <p>The objective of the review is to ascertain if there is evidence to support delivery of the objectives, progress is reviewed at regular intervals and remedial action is put in place in relation to progress against the police and Crime Plan.</p> <p>This is another report linked to the risk register and will inform RSM's risk opinion at year end.</p> <p>The conclusion is a positive assurance opinion, the controls in place are well designed and operating effectively, this is based on raising three medium and three low priority management actions.</p> <p>SG was pleased to see the governance framework in place.</p> <p>MP highlighted to Members, whilst as Officers they will work to adhere to the recommendations, all the timescales may not be achievable as some contents of the plan are not in their control.</p>	

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	SG is hopeful the general trend of improvement and positive opinions will continue.	
6.	<p>Cleveland Police: Internal Audit Action Plan: Gill Curry</p> <p>At this time there are 1 1/2 high priority actions which are all ready to be submitted in the follow-up review in January 2024.</p> <p>Of the 10 medium actions, 5 are ready for review, and of the low actions 10 are ready for review.</p> <p>3 reports; Seized Exhibits, Health and Safety and the Victims Code are currently going through the publication checks.</p> <p>GR is pleased to see the progress and that it is documented in one place and manageable now.</p> <p>SG, highlighted the fact a lot of these recommendations are being bottomed out before they hit the report, is a good sign.</p>	
7.	<p>External Audit Update</p> <p>2021/2022 Audit Progress Report: Gavin Barker</p> <p>GB was pleased to report the previously reported issues with Teesside Pension Fund, have been resolved. And GB hopeful Mazars can move to sign off the 2021/22 accounts and issue the unqualified audit opinion. GB confirmed a plan is in place to complete this on Tuesday 19th of December.</p> <p>The Auditors Annual Report was brought to a previous meeting, with the value for money commentary. As a result, Mazars can, in quick succession, issue the Audit Opinions for the PCC and Group and the Chief Constables accounts.</p> <p>Mazars will follow that with the issue of the Auditors Annual Report, which includes the value for money commentary.</p> <p>Mazars can then complete the necessary reporting on the Whole of Government Accounts to the National Audit Office, meaning that by the close of play on the 19th of December 2023, the 2021/22 audit, GB would like to say, be absolutely finished.</p> <p>GB assured members for all intent and purposes, 2021/22 will be completed by the middle of next week and Mazars will be able to focus entirely on the 2022/23 audit.</p>	

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	<p>2022/2023 Audit Progress Report: Campbell Dearden</p> <p>Mazars continue to expect the work to be completed by the end of December 2023.</p> <p>The outstanding items are being looked at presently, this is mainly Property Plant Equipment (PPE) and a few disclosure items. CD indicated whilst there may be a few things that drift into the new year The work will be substantially completed by the end of December 2023.</p> <p>Not much changed in terms of the pension fund, Mazars will still have to wait for the pension funder auditor assurance letter, this is expected in March 2024. Once received Mazars can sign off the Financial Statements, complete the Auditors Annual Report and then there will remain the issue of the Whole of Government Accounts.</p> <p>GB is confident, if the 2022/23 audit can be cleared, as planned by the end of March 2024, then the Accounts will be back on track and 2023/24 can be considered.</p> <p>Acknowledging the current noise around financial sustainability and stability of organisations throughout the public sector, MP believes it important to emphasise that all of these delays, from an external audit perspective, are not a reflection on the accounts or the financial stability of the of the organisation. MP assured members the organisation is not in a similar situation, in terms of the financial challenges, as the Local Government sector.</p> <p>GB echoed MPs explanation, and empathised he entirely agrees.</p> <p>GB reiterated the PCC and Chief Constable produce a very good set of accounts with good supporting evidence and working papers. The delays have been entirely due to technical accounting issues, nothing of substance, and nothing impacting on the bottom line of the financial statements.</p> <p>SG assured MP, it has always been clear to the Committee the delays have always been technical issues by way of the statement of accounts, and never anything more pervasive or underlying than that, and it is recognised all the professionals involved have made considerable efforts to resolve them.</p>	
8.	<p>Contract Standing Orders – Exemptions: Ged Gallagher</p> <p>GG extended apologies for the delay in delivering the report, the reasons for which were provided at the previous meeting.</p>	

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	<p>SG asked if Cleveland is an outlier in the volume of bespoke software providers and asked if this could be considered a risk, should one or more of the suppliers disappear.</p> <p>GG recognises the procurement of these contracts will be a challenge going forward but doesn't believe we are an outlier.</p>	
9.	<p>OPCC Internal Audit Recommendations Update: Michael Porter</p> <p>A report and a summary have been provided of all the internal audit actions specifically allocated to the OPCC. They draw from 2 reports, only one has been presented to members today.</p> <p>The report presented relates to the Commissioning Audit, received last year, which was a point of learning for the team. A significant amount of work has been completed to address most of the actions detailed in the report.</p> <p>The team has taken the approach to address the actions first, which has slightly delayed implementing the overarching policy. Once the items causing issues are addressed, the team will ensure they are incorporated into the overall arching policy. This is expected to be completed by the end of January 2024. MP confirmed no risks were identified by not having the policy in place now.</p> <p>Members have discussed the Police and Crime Plan, and MP confirmed the team will address those actions moving forward, and report to members as progress is made.</p> <p>LH agrees with the approach taken, and recognised the work completed by the team. MP confirmed to LH the team is fully staffed, and plans are in place to reflect forthcoming maternity leave.</p> <p>MP confirmed the team will bring updates on this item via the Internal Audit Action plans, the next will be March 2024 and then every six months.</p>	
10.	<p>OPCC Annual Equality & Diversity Monitoring Report: Lisa Oldroyd</p> <p>PCCs and their offices are subject to the Public Sector Equality Duty and the Equality Act 2010. This report outlines the approach the office has taken in the last financial year.</p> <p>During this time considerable work has been completed in terms of adopting and implementing an EDI quality framework, and a self-assessment in terms of progress.</p>	

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	<p>Significant investment has been made in the office's data collection, ensuring that the commissioning services are serving communities, and identifying any disparities.</p> <p>The TNA has been delayed because of the team re-structure; it will be addressed as part of the structure review. Team planning days are in place and the TNA will be addressed here collectively.</p> <p>The office is moving into an election period and the team will continue to support the PCC to hold the Chief Constable to account in terms of the exercise of their duties in relation to equality and diversity.</p> <p>The office will continue to commission services and monitor their performance of those services, whilst continuously engaging with their Cleveland communities via the Community Engagement program.</p>	
11.	<p>Cleveland Police Annual Equality Monitoring Report: Sara Lightfoot</p> <p>The report presents achievements that the Force has made in the 2022/23 financial year.</p> <p>Level 2 Disability Confidence status has been maintained and good progress is being made to achieve Level 3 by 2024.</p> <p>The Staff Survey of 2022 achieved a high response rate of 65% and a demonstrate significant year on year improvements.</p> <p>A rich and diverse calendar of attraction, positive action and internal awareness and celebration activity has been delivered.</p> <p>Some increase in data capture has been achieved, in terms of understanding our workforce. A key focus this financial year continues to build on this work, to improve the accuracy of information held about the workforce. As result of the nationally developed, and locally delivered Safe to Say communication campaign, there has been an increase in the information shared by the workforce.</p> <p>This key work strand, built into our People Strategy, will allow us to gain a greater understanding of our workforce to support and in turn develop bespoke ways to deliver a service reflective and representative of the community.</p> <p>SG is pleased to see progress is being made in the quality of data.</p>	

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12.	<p>Gender Pay Gap Report: Karen Lindberg</p> <p>As an employer of over 250 people the Force is legally required to publish an Annual Gender Pay Gap report.</p> <p>The snapshot as of the 31 of March 2023 covers 2480 people, 1116 identified as female and 1364 identified as male and that can be further broken down into 346 male police staff, 643 female police staff, 1018 male police officers and 443 female police officers.</p> <p>The comparison has been further broken down, between officers and staff because officers and staff are subject to different pay negotiating mechanisms and different pay scales. This demonstrates the pay gap between officers and staff is smaller than our pay gap when considering the entire workforce all together.</p> <p>Whilst the data has identified the Force's pay gap is fairly healthy compared nationally, at this moment in time there is a lot of senior female police officers positively impacting that gap, and at some point, these female officers will retire. KL highlighted, in the Sergeant and Inspector ranks female gaps have been identified. As a result a number of recommendations have been made to the Strategic Workforce Performance Board that are now subject to further work, to address this.</p> <p>VF the fifth report from the UN campaign He for She, which compares police Forces across the country in terms of their gender representation within the workforce and across different roles, is now available should members be interested.</p> <p>HeForShe Fifth Annual Report v.2.pdf</p>	
13.	<p>Civil Claims Exception Report: Xanthe Tait</p> <p>The team have been operating in an interim structure since March 2023 this has generated some efficiencies in terms of costs of the collaboration at the management level.</p> <p>Approval has been given to move to an even leaner structure, which has been considered from both a resilience and efficiency point of view and this migration is in motion. It is anticipated, overall, this will generate some substantial savings in terms of the management costs.</p> <p>Further progress has been made in the alignment program of the case management system. The case management system failed in January 2023, and the team have been working towards implementing solutions to bring that back properly online.</p>	

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	<p>Whilst there is a gap in the data between January and April 2023, XT has confidence the data remains representative overall in terms of the profile of litigation, particularly civil claims, and employment tribunal work.</p> <p>XT, brought to the attention of the committee that where it is appropriate to do so, the costs of defending litigation in cases are sought.</p> <p>In terms of the motor liability claims, this is led by Michelle Phillips, Head of the Civil Litigation. The new litigation trend is not concerning from a legal services perspective. A rise from 14 motor claims to 19 has been seen in this new reporting period, which is a relatively stable trend.</p>	
14.	<p>Annual Ethics Report: Neal Gilson</p> <p>The Code of Ethics underpins everything the Force does, ensuring everybody understands their role and the part they play in ethics and what it really means to them.</p> <p>NG advised members; a re-launch of the Code of Ethics is planned for January 2024. The strap line for the new code is <i>Do the right thing, in the right way, for the right reasons</i>.</p> <p>NG highlighted the well-established ethics portfolio and infrastructure; the main one being the Ethics and Standard Board chaired by the Head of DSE, Superintendent John Miller.</p> <p>Key Stakeholders attend these meetings, as per term of reference, and their main role is to raise the ethical standards of the organisation.</p> <p>Another essential and well-established aspect is the Independent Ethics Committee, this meeting consists of numerous lay members, and is perhaps summarised best as a critical friend to Cleveland Police.</p> <p>SG, it is particularly pleasing to see neighbouring Forces looking to Cleveland's models and approaches to replicate. And extended an invitation for NG to update the committee again.</p>	
15.	<p>HMICFRS Progress Report: Louise Solomon</p> <p>LS is really pleased to report that the Force has been removed from the engaged phase of monitoring with HMICFRS, which LS believes is testament to the significant improvements made over the last 12 months.</p>	

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	<p>At the last update to members, governance fell under the remit of the Audit, Inspection and Risk Board. After a formal review and in line with the Strategic Plan to ensure that all Force systems and processes are correctly aligned and governed effectively, it now reports to the Audit and Inspection Board, 'The Gain Board' which continues to be chaired by the Deputy Chief Constable.</p> <p>The other key change linked to the Gain Board is a move from being reactive in terms of the approach to HMIC, which was a necessity in the past, this is now a proactive approach.</p> <p>LS advised the two inadequate gradients linked to the last two causes of concern from the Peel process, cannot be reassessed until the next formal inspection process, in 2024.</p> <p>Work is ongoing in earnest to make sure that the Force is well prepared for this, and a lot of evidence is already on the stocks to demonstrate where the Force is performing well. The team are also looking at recently published reports to see where all the Forces have been found to fall short and where good practice has been identified to utilise the lessons learned to best effect to make improvements locally in Cleveland.</p> <p>SG and members agreed huge progress, and huge efforts made by colleagues many of whom are present at today's meeting.</p> <p>SG asked thanks be given to all involved in getting the Force out of the Engage phase, a considerable distance has been travelled.</p>	
Open session closed		