



Cleveland Joint Audit Meeting Record – OPEN SESSION

Date: Thursday 27 June 2024

Time: 10:00 – 12:30

Venue: PCC Meeting Room, CPHQ, Cliffland Way, Hemlington, TS8 9GL and MS Teams

Meeting Attendance:

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

Office of the Police and Crime Commissioner	
Matt Storey (PCC)	Police & Crime Commissioner for Cleveland
Lisa Oldroyd (LO)	Chief Executive and Monitoring Officer
Michael Porter (MP)	Chief Finance Officer – OPCC
Emma Keay	Executive Assistant

Cleveland Police	
Richard Baker (RB)	Assistant Chief Constable
Gillian Currie (GC)	HMIC Liaison Officer
Ged Gallagher	
Xanthe Tait	

Internal Auditors – RSM UK Risk Assurance Services	
Dan Harris	RSM Head of Internal Audit
Hollie Adams (HA)	Assistant Manager

External Auditors – Forvis Mazars:	
Gavin Barker (GB)	Director - Public and Social Sector
Cath Andrews	Senior Manager - Public and Social Sector Audit
Mark Kirkham	Partner – Audit and Assurance

Apologies:

Philip Church (PC)	Senior Manager
Ian Wright (IW)	Director of Finance and Assets – Executive

Agenda Item:	Discussion / Action:	Action Owner:
1.	<p>Apologies for absence:</p> <p>Apologies were noted from Ian Wright, Ged Gallagher attended as deputy.</p> <p>Apologies were also noted from Phillip Church.</p>	
2.	<p>Welcome and Introductions:</p> <p>Jon Carling was welcomed to the meeting; Jon will be joining the committee as an independent member and was invited to attend the open session whilst his vetting is completed.</p>	
3.	<p>Declarations of interests:</p> <p>No declarations of interest were made.</p>	
4.	<p>Open Minutes of the previous meeting held on 28 March 2024:</p> <p>The minutes of the previous meeting were deemed an accurate and reasonable record.</p>	
5.	<p>Internal Audit Reports and Plan Progress Update: Dan Harris & Hollie Adams</p> <p><u>Internal Audit Progress Paper, June 2024 – Hollie Adams</u></p> <p>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.</p> <p>Since the last committee, 2 additional reports have been finalised, and will be presented today.</p> <p>SG noted the report, and members agreed it is impressive RSM have achieved 100% of the plan.</p> <p><u>Performance and Capability Management – Hollie Adams</u></p> <p>This review considered how the Force manages its performance and capability management processes for officers, ensuring adherence to the College of Policing guidance.</p> <p>Overall, the review resulted in a partial assurance opinion, based on eight medium priority management actions. Action</p>	

	<p>is needed to strengthen the control framework to manage the identified area.</p> <p>HA confirmed the People and Development team are aware of the issues and are working to address them, the implementation of the Performance Excellence Process should identify clearer links and proactively connect different areas.</p> <p>SG gave thanks and noted the report.</p> <p><u>Select Key IT Security Controls – Hollie Adams</u></p> <p>The objective of the review was to evaluate the design of key cybersecurity controls in place and assess operating effectiveness.</p> <p>Overall, the review resulted in a reasonable assurance opinion, based on four medium and three low priority management actions. The controls relied upon by the Force to manage this risk are suitably designed, consistently applied and effective.</p> <p>SG noted and gave thanks for a comprehensive report.</p> <p><u>Emergency Services Briefing Report – Dan Harris</u></p> <p>This report provides members updates in terms of what is happening within the sector and is submitted as a prompt for members to ask further questions about as well as function.</p> <p>ACTION: Members requested a Value for Money update; SG requested a report from Chief Officers be presented at the next JIAC in September 2024.</p> <p><u>Annual Internal Audit Report 2023/24 – Dan Harris</u></p> <p>This report is the culmination of the 2023/24 work, the plan has been completed and everything is finalised. In total 5 negative opinions and 9 positive opinions have been issued. It is important to note, the excellent action tracking processes. Strategic risks are identified, control is taken, and action implemented.</p> <p>All agree the joint appetite to adopt a risk-based audit is welcomed and demonstrates a good use of audits.</p> <p>SG noted the positive opinions and progress and gave thanks for the efforts of the RSM team.</p>	<p>CFOs</p>
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6.	<p>External Audit Update – Gavin Barker</p> <p>GB, is pleased to confirm the substantial conclusion of the 2022/23 audit report, and will issue the unqualified audit opinion today, on receipt of the signed set of accounts. GB expects to issue the audit certificate in December 2024, which is subject to the NOA.</p> <p>GB again reiterated, the 2022/23 delays are due to external factors only, the quality of the reports and cooperation from both the PCC and Force continues to be good. Assurance from Teesside Pension fund was only received by Mazars in April 2024, and this caused the delay.</p> <p>All welcomed the completion and are hopeful reporting will return to the normal timescales moving forward.</p> <p>SG noted the quality of the papers, and the statement of accounts and gave thanks to the CFOs, their respective teams and Mazars.</p> <p>Recognising this is GB and CD's final committee, SG extended thanks on behalf of all for their hard work, especially under difficult circumstances.</p> <p>Members welcomed Cath Andrew and Mark Kirkham to the Committee.</p>	
7.	<p>Internal Audit Recommendations Tracker – Gill Currie</p> <p>Actions are monitored and scrutinised, actions are reported to the Gains Board and chaired by the Deputy Chief Constable. This ensures cross department sight of the actions and a review of the impact any action may have on other areas.</p> <p>GC, indicated this may explain some delays, as before actions can be agreed with RSM they must go via this process.</p> <p>All are pleased to see this in a more manageable state, and SG echoed DH's earlier observations, it is pleasing to see system arrangements following the recommendations through.</p>	
8.	<p>In Year Financial Monitoring and LTFF:</p> <p><u>OPCC Budget Monitoring Outturn Report for 2023/ 24</u> – Michael Porter</p> <p>This paper provides members with an oversight of the financial year that has just ended. Overall scrutiny and</p>	

	<p>management of the budget is subject to the PCC. And the report will be presented to the PCC at the Joint Strategic Board in July 2024.</p> <p>MP flagged that whilst the majority of the recommendations and actions are for the PCC, members may want to note the significant overspends, and the challenges the Force is facing.</p> <p>Members sought assurance regarding legal fees; and this will be addressed in agenda item 12.</p> <p>GG advised members the Force has plans are in place for the next 4 years to address the Forces overspend.</p> <p>MP offered assurance, financial risks are always front and centre to discussions with monthly reporting, sighted by the Chief Officers Teams, regular reporting to the PCC and risk management review.</p> <p>Members gave thanks for the accounts and treasury briefing, the input from MP, GG and IW was useful and welcomed.</p> <p>Members noted the remainder of the reports and gave thanks to the CFOs and teams.</p>	
9.	<p>OPCC Capital & Treasury Management Outturn Report – Michael Porter</p> <p>This report provides members with oversight and provides an indication of how the organisation has performed against the limits set out by the Commissioner when approved in February 2023.</p> <p>It provides an indication of everything the organisation has done, how it has managed its treasury management limits and how it has fared against its prudential indicators. MP confirmed no breaches.</p> <p>SG noted the very minimal risk with public money, gave thanks and noted the report.</p>	
10.	<p>Draft Accounts:</p> <p>Unaudited Statement of Accounts Covering Report – June 2024</p> <p>Group & PCC Statement of Accounts – 2023/24</p> <p>CC of Cleveland Statement of Accounts 2023/24</p>	Michael Porter

	<p>These reports were reviewed and discussed at the members workshop, and MP gave thanks to GG and team for a fantastic job collating all the information for the deadline. MP is confident accounts will be viewed in a good light.</p> <p>SG gave thanks to all involved, CFOs and respective teams, and recognition of the standard of reports particularly in the timescales.</p>	
11.	<p>OPCC Annual Governance Statement – Michael Porter</p> <p>MP advised members, this is the first time in over 12 years, and since the existence of PCCs, MP has not identified a significant governance issue within the PCC annual governance statement.</p> <p>This highlights the positive progress being made across some of the items and by the team.</p> <p>MP would expect to see improvement in the legal and insurance issues in 2024/25 and will ask questions from the Force on this, the Scrutiny Programme will continue and the capturing and the implementation of the Police and Crime Plan completed.</p> <p>SG and members agreed, the statement aligns very well, both consistent, coherent and of a high quality again.</p>	
12.	<p>Cleveland Police Annual Governance Statement (Draft) – Ged Gallagher</p> <p>GG confirmed the Force Impact Board has been in place 12 months and is well embedded and performing well.</p> <p>Members agreed the report represents a strong performance framework within the organisation.</p>	
13.	<p>Civil Claims Overview – Xanthe Tait</p> <p>There are a few areas XT would highlight to members; the confirmation a leaner management structure is in place and working well, and this will be supplemented by the implementation of a new case management system once fully operational.</p> <p>XT also highlighted, that whilst the reporting period is correct, ending in February 2024, XT anticipates a substantial change in the next reporting period.</p>	

	<p>Scrutiny has not identified any changes in trends in terms of civil claims.</p> <p>The team now report into an additional group, in relation to the loss of property.</p> <p>Feedback and lessons learnt, continue to be shared with the Driver Standard forum.</p> <p>XT offered assurance, in terms of employment tribunals, where the Force has incurred costs defending a claim later found unmeritorious, active consideration is given to take the exceptional step to recover costs.</p> <p>Members expressed concern in the alignment of this report and the financial reports and in relation to the significant unexpected legal costs.</p> <p>XT noted the current reporting period is set by the Committee and is happy to amend to better align with the finance reports.</p> <p>XT is also happy to include forecasting but would highlight unpredictability. XT would also not want to jeopardise sensitive ongoing negotiations and would therefore request they be caveated to that effect. Or communicated in an alternate manner.</p> <p>XT is confident legal have clear, accurate and resilient reporting mechanisms in place.</p> <p>Regarding the outturn difference, there are clear and good reasons for the rise, the organisation is sometimes subject to judgements which can change the complexion of forecasted settlements, dramatically.</p> <p>XT confirmed steps are being taken with finance colleagues to ensure the risks in late changes are properly flagged, addressed, and recorded.</p> <p>SG gave thanks and noted the report.</p> <p>ACTION: SG requested the CFOs and XT meet outside this meeting to make the necessary changes to ensure alignment going forward.</p>	<p>CFOs Xanthe Tait</p>
14.	<p>Annual Health and Safety Report – Nick Sutton</p> <p>NS confirmed he is now the FTE Health and Safety Manager.</p>	

	<p>Two Health and Safety audits have been conducted, the first in late 2022/23 made nine recommendations and the second in early 2024 made a further seven recommendations.</p> <p>NS confirmed all but one recommendation has been completed.</p> <p>The outstanding item relates to estates and due to the volume of CP estates and capacity NS has been unable to complete this item, currently.</p> <p>Members gave recognition to NS's efforts and the huge improvement made.</p> <p>ACTION: NS would welcome feedback from members for any additionality to the Health and Safety report. Members to discuss and agree items to be included in the committee's report.</p>	<p>Members</p>
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