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# **Report to the PCC for Cleveland and the CC of Cleveland Police**

**26<sup>th</sup> September 2024**

**Annual Report of the Cleveland Joint Audit Committee**

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# Cleveland Joint Audit Committee

## Annual Report

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### **FOREWARD**

The Purpose of this report is to provide assurance that the Joint Audit Committee is satisfactorily undertaking its role and responsibilities to enhance public trust and confidence in the governance of the Office of the Police & Crime Commissioner (PCC) and Cleveland Police. It provides an overview of the areas of work considered by the Committee during 2023/24 and details the areas that the Committee thought worthy of mention. It provides the PCC and CC with the assurance that the Committee has fulfilled its terms of reference and demonstrates the added value that has been delivered by the Independent Committee to both the PCC and Chief Constable (CC) and also the wider public throughout 2023/24.

### **1. INTRODUCTION**

- 1.1 This annual report of the Cleveland Joint Audit Committee covers the 2023/24 financial year.
- 1.3 The Committee has a wide range of responsibilities that are captured within the annually reviewable Terms of Reference. The Terms of Reference in place throughout 2023/24 are reproduced at Appendix A for information.
- 1.4 The table below details last year's Committee members. The Committee would like to place on record its thanks to the Officers of the PCC and CC, and both the internal and external auditors who have supported its work throughout the year.

## Members of the Joint Audit Committee

Role	Member	Dates in role
Chair	Stuart Green	Throughout the financial year
Vice Chair	Joanne Gleeson	Throughout the financial year
Member	Gill Rollings	Throughout the financial year
Member	Elizabeth Hall	Throughout the financial year
Member	Andrew Prest	Resigned November 2023

1.5 The Committee undertook the normal quarterly cycle of 4 meetings for the 2023/24 financial year. The meetings all took place at the 'usual' times and all work of the Committee has taken place with the meetings taking place on the following dates:

- 29<sup>th</sup> June 2023
- 28<sup>th</sup> September 2023
- 12<sup>th</sup> December 2023
- 28<sup>th</sup> March 2024

1.6 Meetings during the year have predominantly been held in person, with the option to call in via Teams also available. A pre-meeting with both the Internal and External auditors, without management, has also taken place.

## 2 EXTERNAL AUDIT

2.1 Mazars LLP (now Forvis Mazars LLP from 1<sup>st</sup> June 2024) have been the external auditors for the PCC Group throughout 2023/24.

### **Audit of the Statements of Accounts for 2021/22**

2.2 The Committee considered the Draft Statement of Accounts for 2021/22 at our meeting in June 2022 – the accounts had been produced by your Officers a month earlier than the statutory deadline and were subsequently made available for Audit.

2.3 The Statutory deadline for the completion of the 2021/22 Audit was the 30<sup>th</sup> September 2022, however the audit of the Statement of Accounts for 2021/22 was not formally concluded until the 6<sup>th</sup> May 2024, when the External Auditors wrote to the PCC and CC attaching their signed Audit Certificate for the 2021/22 financial year which formally concluded the 2021/22 audit, this was **almost 2 years after the Accounts were provided for Audit.**

2.4 There was a substantial delay in the issue of the Audit Certificate due to the External Auditors awaiting confirmation from the National Audit Office (NAO) that the Police and Crime Commissioner for Cleveland and Group would not be selected for additional WGA work as a sampled component.

- 2.5 On 21 December 2023, following approval and certification of the 2021/22 financial statements by the Police and Crime Commissioner for Cleveland the External Auditors issued their Independent Auditor's Report in relation to the accounts for the year ended 31 March 2022. **The audit opinion was unqualified.**
- 2.6 The External Auditors also issued their commentary on Value for Money (VFM) arrangements in their Auditor's Annual Report 2021/22 on 21 December 2023. **They reported a significant weakness and recommendation** in relation to the Police and Crime Commissioner's and CC's VFM arrangements.
- 2.7 They issued their report on Whole of Government Accounts to National Audit Office on 22 December 2023.

### **Value for Money Conclusion 2021/22**

- 2.8 As part of the Audit Completion Report the External Auditors are required to report on the arrangements for Value for Money. They are required *'to report to you if, in our view we are not satisfied that the PCC has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year.'*
- 2.9 On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in January 2023, the External Auditors have identified the following significant weakness in the PCC's arrangements for the year ended 31 March 2022.

### **2021/22 HMICFRS Inspection Report Improving economy, efficiency and effectiveness**

- The HMICFRS inspection report for 2021/22 was published on 17 March 2023 and assessed the following areas of policing as inadequate:
  - Preventing crime; and
  - Good use of resources.
- The report identified that the arrangements for prevention and deterrence of crime and anti-social behaviour have focused disproportionately on demand, with only limited emphasis on prevention and that strategic direction and co-ordination need to be provided and preventative practice and problem-solving needs to be integrated across the organisation. As a result, the burden on scarce police resources is higher than it might otherwise be with effective prevention activity.
- The report further identified that the Chief Constable does not adequately understand the demand he faces, which underpins all strategic planning, including workforce and financial planning. As a result, the burden on scarce police resources is higher than it might otherwise be with effective understanding of and management of demand for policing services.

- In our view, HMICFRS's concerns represent a significant weakness in arrangements in relation to how the Chief Constable evaluates the services provided to assess performance and identify areas for improvement under the Economy, Efficiency and Effectiveness criterion.
- These concerns also represent an issue for the Police, Fire and Crime Commissioner (PFCC) who is elected by the public to hold the Chief Constable and the Force to account, as the PFCC's oversight of the Chief Constable did not identify or address these weaknesses prior to HMICFRS's inspection.
- In our view, the HMICFRS concerns about 'preventing crime' and 'good use of resources' represents a significant weakness in arrangements in relation to:
  - how the Chief Constable evaluates the services he provides to assess performance and identify areas for improvement under the economy, efficiency and effectiveness reporting criterion; and
  - how the Chief Constable ensures that his financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system under the financial sustainability criterion.
  - In our view, HMICFRS' concerns over progress in addressing the wide-ranging identified weaknesses also represent a significant weakness in the arrangements of the Police and Crime Commissioner in relation to Financial Sustainability and Improving Economy, Efficiency and Effectiveness.

### **Statement of Accounts 2022/23**

- 2.10 The Committee considered the Draft Statement of Accounts for 2022/23 at our meeting in June 2023 – the accounts had been produced by your Officers by the statutory deadline, which was 31<sup>st</sup> May 2023, and were subsequently made available for Audit.
- 2.11 The Statutory deadline for the completion of the 2022/23 Audit was the 30th September 2023, however the audit of the Statement of Accounts was concluded on the 27<sup>th</sup> June 2024, when your External Auditors issued an **unqualified opinion on the financial statements for the PCC & Group and CC.**
- 2.12 As in previous years, the External Auditors anticipate a significant delay before they will be able to issue their 2022/23 audit certificate, as they await National Audit Office clearance on whether they will be required to undertake additional procedures as a sampled component.

### **Value for Money Conclusion 2022/23**

- 2.13 The Committee consider the External Audit reports issued on 27 June 2024, within in which they reported that they had completed their work on the PCC and CC's arrangements to secure economy, efficiency and effectiveness in their use of resources.
- 2.14 For 2022/23 the External Auditors again report '*a significant weakness in arrangements relating to two areas of the Force assessed as inadequate by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) from its report in March 2023.*'
- 2.15 However, they did note that '***the HMICFRS report was a significant improvement on the previous assessment in 2019.***'
- 2.16 While the External Auditors concluded that '*The significant weakness remains relevant to the current year of audit as the causes of concern have not been fully addressed.*'
- 2.17 They did, however, recognise that '***HMICFRS has now discharged both causes of concern and removed the Force from the 'engage' stage and therefore the significant weakness has been addressed in 2023/24.***'

### **Statement of Accounts 2023/24**

- 2.18 The Committee considered the Draft Statement of Accounts for 2023/24 at our meeting in June 2024 – the accounts had been produced by your Officers by the statutory deadline, which was 31<sup>st</sup> May 2024, and were subsequently made available for Audit.
- 2.19 As with all areas of External Audit reporting the Committee is keen to see improvements around timeliness of reporting and will look to hold Forvis Mazars to account throughout 2024/25.

### **3 INTERNAL AUDIT**

- 3.1 The provider of PCC and CC's Internal Audit Service changed from the 1<sup>st</sup> April 2020 to RSM, who were appointed on a 3-year contract with the option to extend this contract for an additional 2 years.
- 3.2 The Audit Plan for 2023/24 was developed by carrying out an analysis of your risk registers (Police and Crime Commissioner, Chief Constable), and assurances provided by other providers e.g. HMICFRS.
- 3.3 The plan was discussed at the Audit, Risk and Assurance Board, with both Chief Finance Officers and with the Head of Corporate Services.
- 3.4 The Joint Committee commented on, considered and endorsed the 2023/24-2025/26 internal audit strategy at its meeting in March 2023 to ensure that the work could start for the new financial year as soon as possible.
- 3.5 During the course of the year, the Committee has closely monitored progress against the objectives and programme of work set out in the Internal Audit Plan for 2023/24.

#### **Internal Audit reports**

- 3.6 In recognition of the significant challenges that have been raised about the organization since 2019, management have significantly increased the scope and level of internal audit work to be undertaken as part of the new contract. The aim of which is to provide independent assurance, or otherwise, on key areas of risk and governance of the organisation.
- 3.7 The audit work for the year to the 31 March 2024 involved 12 separate reviews which were assessed based on the level of assurance that the PCC and CC can take from the controls within the areas under review and how well they are being adhered to/implemented.

These assurance levels are as follows:

- **Substantial assurance:** Taking account of the issues identified, the Police and Crime Commissioner for Cleveland and / or the Chief Constable of Cleveland can take substantial assurance that the controls upon which the organisations relies to manage this risk are suitably designed, consistently applied and effective.
- **Reasonable assurance:** Taking account of the issues identified, the Police and Crime Commissioner for Cleveland and / or the Chief Constable of Cleveland can take reasonable assurance that the controls upon which the organisations relies to manage this risk are suitably designed, consistently applied and effective. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk.

- **Partial assurance:** Taking account of the issues identified, the Police and Crime Commissioner for Cleveland and / or the Chief Constable of Cleveland can take partial assurance that the controls upon which the organisations relies to manage this risk are suitably designed, consistently applied or effective. Action is needed to strengthen the control framework to manage the identified risk.
- **Minimal assurance:** Taking account of the issues identified, the Police and Crime Commissioner for Cleveland and / or the Chief Constable of Cleveland cannot take assurance that the controls upon which the organisations relies to manage this risk are suitably designed, consistently applied or effective. Urgent action is needed to strengthen the control framework to manage the identified risk.

3.8 Of the 12 audits that received assurances during the 2023/24 audit the assurance levels were as follows:

Assurance Level	No. Of Audits
Substantial	2
Reasonable	5
Partial	4
Minimal	1

3.9 These 12 audits generated 78 actions that were agreed by management. The actions are graded High, Medium or Low depending on the urgency and priority with which they need to be addressed. The 78 actions were split as follows:

Action Level	No. Of Recommendations
High	10
Medium	36
Low	32

3.10 The number of actions issued in 2023/24 was significantly higher than the volume raised in 2022/23 (of 44) however these came from fewer audits (9 versus 12).

3.11 However, progress in dealing with the actions raised by Internal Audit was reviewed twice during 2023/24, the first review showed Reasonable Progress with the second review showing that 'Good Progress' was being made on previous actions.

3.12 The Committee welcomes this continued focus on addressing an implementing agreed actions and looks forward to seeing this maintained in 2024/25 and beyond.

- 3.13 A monitoring report on the implementation of audit recommendations is submitted to the Committee every six months. The last report relating to the 2023/24 financial year, was in June 2024 and showed only 21 outstanding recommendations (this continues the excellent management of this area and maintains a significant reduction from the 60 outstanding actions reported 2 years ago).
- 3.14 Of these 21, a further 14 have been identified as complete by the Force and therefore awaiting sign off by the auditors. Before those items are signed off, this leaves actions outstanding at the following levels:
- High – 4
  - Medium – 6
  - Low – 11

### **The Head of Audit's annual report**

- 3.15 The Head of Audit's annual report was received by the Committee in June 2024 relating to the work carried out primarily in the financial year 2023/24. The report concluded that:

#### **Office of the Cleveland Police and Crime Commissioner**

The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

#### **Cleveland Police**

The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

## **HMICFRS**

- 3.16 The Force's corporate meeting framework was reviewed in Spring 2023 to ensure that strategic priorities drive all significant activity, and that people, policies and systems are operating effectively and focused on key service risks. The governance and scrutiny arrangements associated with HMICFRS activity now fall under the responsibility of the Deputy Chief Constable led Governance of Audit and Inspection (GAIN) Board which meets monthly. The GAIN Board provides a single governance forum to manage all inspection and audit related activity.
- 3.17 The Committee is sighted on both the terms of reference for the GAIN Board and the 'end to end' process followed from the Force receiving a notice to improve through to an action being formally closed by HMICFRS and shows who is responsible at each stage.
- 3.18 An overview on all areas is brought to the Committee in a similar manner to the Internal Audit actions and the Committee continues to seek assurances around the timely implementation of all actions and the governance processes in place around this area.
- 3.19 The report received from the Force in December 2023 showed that the Force's position has improved significantly since the last update provided to the Joint Audit Committee.
- 3.20 Despite the receipt of a high number of national recommendations issued to all forces, the number of 'live' actions has **reduced by almost 100 over the past 12 months** and of the 133 current live actions, only 26 are specific to Cleveland Police.
- 3.21 The Committee is pleased to note that the introduction of the GAIN Board has also marked a significant shift in the Force's approach to HMICFRS activity, and a move to be more proactive rather than reactive.
- 3.22 While noting that the Board continues to monitor progress against existing recommendations and areas for improvement, the Committee was pleased to note that its' core focus is on working towards achievement of the standards of good outlined in the HMICFRS PEEL Assessment Framework (PAF).
- 3.23 The Committee is keen to see how this approach develops, and the outcomes from this approach, through reports during 2024/25, as well as the outcomes from the 2023-25 PEEL Inspection Programme that will report at the end of 2024/25.

#### **4 CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT**

- 4.1 The September 2023 meeting of the Committee considered both the PCC and CC's Annual Governance Statements for 2022/23; the Committee recommended that both the PCC and CC adopt the documents presented.
- 4.2 The draft versions of both documents for 2023/24 were considered by the Committee in June 2024, feedback will be provided prior to the final version of the 2023/24 Statements being agreed alongside the final statement of accounts for the 2023/24 year.
- 4.3 In addition to the review of the Annual Governance Statements the Committee also receives and endorses any proposed changes to the Code of Corporate Governance. The Committee received very minor proposed changes to the Code in March 2023, which reflected minor changes required to ensure that the code remains up to date.

#### **5 RISK MANAGEMENT**

- 5.1 The Committee has an important role in ensuring that both the PCC and CC has effective arrangements for the identification, assessment, mitigation, management and monitoring of risk.
- 5.2 During the year the Committee has considered the strategic risk registers of both the PCC and CC and continues to ensure that the work of Internal Audit is appropriately linked to the Risk Registers to ensure those areas highlighted as a Risk to the organisations are appropriately reviewed.

#### **6 REGULATORY FRAMEWORK AND COMPLAINTS**

- 6.1 The Committee has considered reports detailing any contracts that have been entered into that have not been subject to the approved contract standing orders and the reasoning for this.
- 6.2 The Committee has not had any issues referred to it by the Statutory Officers of either the PCC or CC during 2023/24.
- 6.3 The Committee has considered 1 FOI appeal from the PCC's Office during 2023/24 and would like to understand whether the Force receives any FOI appeals and if so, how these are dealt with given the Terms of Reference for this Committee include 'to act as a review body for Freedom of Information appeals.'
- 6.4 In relation to Complaints and Conduct received against the Police Force, Members received a report that provided an overview of the efficiency and effectiveness of the main Directorate of Standards and Ethics functions.

- 6.5 The Committee was really pleased to see that as part of the Internal Audit programme for 2023/24 that a review of the Force's ethical framework identified *'that the Force has a comprehensive and significant ethics framework in place which is supported by senior leaders, the DSE and a network of Ethics Advocates. The Force has a clear governance structure in place that is supported by terms of reference and an appropriate range of individuals. This includes both internal and external parties, as well as a range of officers and staff from a variety of departments and ranks'*
- 6.6 The Internal Audit report concluded that *'Taking account of the issues identified, the Chief Constable of Cleveland can take **substantial assurance** that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.'*
- 6.7 It was reported to the June 2024 Committee that the IOPC data had been released for the 2023/2024 period and showed Cleveland Police logged 3,065 complaint allegations (this is almost double the number recorded in 2021/22).
- 6.8 This equated to 1,249 complaint allegations per 1000 employees. **This is more than double the national average** of 599 per 1000 employees, and significantly more than the 734 per 1,000 employees recorded by those Forces that are most similar to Cleveland.
- 6.9 As set out in last year's Annual Report and in line with the Terms of Reference for the Committee, the Committee would like to see more details of the number and types of complaints to understand these high levels further and also understand why complaints are so high within Cleveland.
- 6.10 In line with the request from the Committee last year, it was pleasing to see data and reporting from the OPCC in relation to the Model 3 Complaint model. The Committee was pleased to see the positive feedback from the IOPC, the improved complainant contact and the timeliness of the handling of the complaints. Further to this the Customer Service Excellence Accreditation also provided the Committee with significant reassurance around the quality of the work in this area too.

## **7 HEALTH AND SAFETY**

- 7.1 The Committee received the Annual Health and Safety Report from the Chief Constable in June 2024, covering the 2023/24 financial year.
- 7.2 The report followed on from an Internal Audit review of Health and Safety that was reported to the Committee in December 2022 that concluded that *'Taking account of the issues identified, the Chief Constable can take **minimal assurance** that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied or effective.'*
- 7.3 And that *'Urgent action is needed to strengthen the control framework to manage the identified area.'*

- 7.4 This internal audit report was then followed up with another review of this area during 2023/24, which was reported to the Committee in March 2024.
- 7.5 The subsequent report concluded that: *Whilst **we have still identified some significant control weaknesses**, there has been an improvement from our previous health and safety review (Sept 2022) and all actions agreed as part of that audit have either been completed or partially completed.*
- 7.6 In particular, the Internal Auditors identified discrepancies regarding the injury reporting form and supervisors reporting form and that these had either not been completed or had not been completed in a timely manner. This resulted in one instance where a RIDDOR report has not been submitted in a timely manner after an accident. Testing of the premises reviews conducted by the Health and Safety Manager also identified that all premises reviews are either overdue or had been completed after the set deadline.
- 7.7 While the Committee recognises some improvements in this area over the last 12-15 months, **this is still an area of concern** and an area that Committee expects to continue to improve during 2023/24 through addressing the 2 High and 5 Low Audit actions as a minimum.
- 7.8 2023-24 saw the overall number of **injuries on duty** sustained by Police Officers and Police Staff, including PCSOs and Special Constables, **increase from 196 to 276, an increase of 40%**, despite there being no increase in the overall level of staffing between the 2 years.
- 7.9 **Of particular concern** to the Committee was the reported:
- 50% increase in injuries caused by 'Assaults by a Violent Offender'.
  - 45% increase in 'injuries sustained while restraining a Violent Offender'.
- 7.10 This level of injuries on duty has not been reported since 2019.
- 7.11 The Committee will continue to monitor this area closely and will be keen to hear from the Force on the work that is on-going in this area to reduce the level of health and safety issues, and in particular the level of injuries on duty.

## **8 INSURANCE AND CIVIL CLAIMS**

- 8.1 The Committee received 2 reports on Civil Claims during the year, the information provided within this report showed that there were 99 claims in the 12 months to the end of February 2024.
- 8.2 The Committee is keen to understand how the financial aspects of the claims reported within the Civil Claims report aligns with the financial information contained with the financial outturn reports and looks forward to receiving further analysis and information during 2024/25.

## **9 EQUALITY, DIVERSITY and INCLUSION**

- 9.1 The Committee considered a report in relation to the Equality, Diversity and Inclusion at its meeting in December 2023 relating to the 2022/23 financial year.
- 9.2 The Committee was surprised and concerned to see that despite the significant recruitment of Police Officers over the last 5 years that Male officers continue to comprise 68% of officers serving in 2022/23.
- 9.3 Other areas that will need significant and continued focus from the Force are that:
- 67% of Police Staff are female. (this is the same as both 2020/21 and 2021/22)
  - Only 2% of the entire workforce are from Black, Asian and Dual Heritage backgrounds BAME (this is the same as 2021/22) – despite 8% of the population of Cleveland with these backgrounds.
  - Only 1% of the entire workforce indicate they have a disability and almost 80% of the workforce do not declare one way or another in this area.
  - Over 80% of the workforce remain in the age range 26-55
  - The Committee welcomes the addition of information on
    - Maternity, Paternity and Adoption Leave, and
    - Flexible Working Requests, and
- 9.4 The committee continues to see the improvements being made in terms of reporting and data, the next step continues to be what strategies and plans will the Force put in place to address some of the significant numerical and statistical differences that these numbers highlight, to ensure that the services meet the requirements of our communities, and that our workplace is inclusive and supportive.

## **10 INFORMATION GOVERNANCE**

- 10.1 The Committee considered the report on Information Governance at the September 2023 meeting.
- 10.2 The Committee was pleased to note that a new role of Information Governance Manager has now been recruited.
- 10.3 The Committee noted that the remediation of the issues from the 2022 IT Security Health Check is improved although some legacy issues, complicated by external dependencies, remain outstanding. The Committee is keen to understand further progress in this area during 2024/25.

**AUDIT COMMITTEE - TERMS OF REFERENCE**

**Composition of the Committee**

The Audit Committee comprises 5 members who are independent of the Office of the PCC and Cleveland Police. The executive of the Office of the PCC and the Command Team of the Police Force are required to be represented at each meeting of the Committee.

**Quorum of the Committee**

No business shall be transacted at the meeting of the Audit Committee unless at least 3 Members of the Committee are present.

**Press and Public**

The Public shall be admitted to all meetings of the Audit Committee unless excluded by resolution in accordance with the provisions of the Local Government Act 1972 (Schedule 12a), as amended by the Local Government (Access to Information) Act 1985.

A member of the public will not be permitted to speak or ask questions at the meeting except with the consent of the meeting chair.

**Exclusion of Public Access**

The public must be excluded from meetings whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that confidential information would be disclosed.

Confidential information means information given to the PCC or CC by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.

Items will be considered '**Below the Line**' or 'not for publication' when they contain exempt information as defined by schedule 12 of the Local Government Act 1972.

**Purpose**

The Audit Committee is responsible for enhancing public trust and confidence in the governance of the Office of the PCC and Cleveland Police. It also assists the PCC in discharging statutory responsibilities in holding the Police Force to account. This is achieved by;

- Advising the OPCC and Chief Constable of Cleveland Police according to good governance principles
- Providing independent assurance on the adequacy and effectiveness of the OPCC and Cleveland Police internal control environment and risk management framework.
- Overseeing the effectiveness of the framework in place for ensuring compliance with statutory requirements (and in particular those in respect of health and safety and equalities and diversity.)
- Independently scrutinising financial and non-financial performance to the extent that it affects the OPCC and Cleveland Police exposure to risks and weakens the internal control environment
- Overseeing governance and monitoring of governance within the organisation.
- Overseeing the financial reporting process

To aid the Committee in delivering its purpose and objectives the PCC will make available funds for the Committee to take independent legal and financial advice where the

Committee deems it is reasonably necessary to do so. Where the Committee deems this advice is necessary it should be discussed and coordinated with the PCCs Monitoring Officer and the Chief Finance Officer's of the PCC and CC.

### **Objectives**

The Audit Committee meets at least four times a year (and in effectively discharging its function is responsible for:

#### **Internal Control Environment**

- Satisfying itself as to the effectiveness of the internal control framework in operation within the Office of the PCC and Cleveland Police and advising the PCC and Chief Constable of Cleveland Police as appropriate.
- Considering the Annual Governance Statement for publication with the annual accounts, together with associated action plans for addressing areas of improvement and advising the PCC as appropriate.

#### **Corporate Risk Management**

- Approving the Office of the PCC and Cleveland Police corporate risk management strategy and framework; ensuring that an appropriate framework is in place for assessing and managing key risks to the Office of the PCC and Cleveland Police.
- Considering the financial risks to which the Office of the PCC and Cleveland Police are exposed and approving measures to reduce or eliminate them or to insure against them.
- Providing assurance to the PCC and Chief Constable of Cleveland Police as appropriate on the effectiveness of the risk management framework in operation.
- Provide oversight and scrutiny of the risk registers of both the PCC and Chief Constable

#### **Regulatory Framework**

- Maintain an overview of the governance framework in respect of contract procedure rules, financial regulations and codes of conduct and behaviour and to review and approve on an annual basis any changes to the Code of Corporate Governance.
- Maintain an overview of the work of the Force's Professional Standards Department in relation to an overview of the number and types of complaints.
- To review any issue referred to it by the Statutory Officers of the PCC and Chief Constable and make recommendations as appropriate.
- To monitor the policies of both the PCC and Chief Constable on 'Raising Concerns at Work', anti-fraud and corruption strategy and complaints process.

#### **Internal Audit**

- Advising the PCC and Chief Constable of Cleveland Police on the appropriate arrangements for internal audit, the appointment of the Internal Auditors and approving the Internal Audit Strategy.
- Approving the internal audit annual programme.
- Overseeing and giving assurance to the PCC and Chief Constable of Cleveland Police on the provision of an adequate and effective internal audit service; receiving

progress reports on the internal audit work plan and ensuring appropriate action is taken in response to audit findings, particularly in areas of high risk.

- Considering the Head of Internal Audit Annual Report and annual opinion on the internal control environment for the Office of the PCC and Cleveland Police; ensuring appropriate action is taken to address any areas for improvement.
- Reviewing and monitoring the effectiveness of Office of the PCC and Cleveland Police on fraud, irregularity and corruption.

### **External Audit**

- Advising the PCC and Chief Constable of Cleveland Police on the appointment of external auditors.
- Approving on behalf of the PCC and Chief Constable of Cleveland Police the external audit programme and associated fees
- Reviewing the external auditor's Audit Completion Report and any other reports; reporting on these to the PCC and Chief Constable of Cleveland Police as appropriate and including progress on the implementation of agreed recommendations.
- Reviewing External Auditor's Annual Audit Letter and making recommendations as appropriate to the PCC and Chief Constable of Cleveland Police.

### **Financial Reporting**

- Reviewing the Annual Statement of Accounts and make recommendations or bring to the attention of the PCC or CC, any concerns or issues.
- To consider whether appropriate accounting policies have been followed and any changes to them.

### **Inspection and Review**

- Considering HMICFRS, external review agencies and any internal inspection reports that provide assurance on the internal control environment and/or may highlight governance issues for the Office of the PCC and/or Cleveland Police.
- Overseeing and giving assurance to the PCC and Chief Constable of Cleveland Police that appropriate action is taken in response to HMICFRS findings, including that all actions are implemented, delivered and embedded, particularly in areas of high risk.

### **Complaints**

- Maintain an overview of Force complaints.
- Maintain an overview of complaints against the Office of the Police and Crime Commissioner and its staff and act as the appeals body when required.

### **Freedom of Information**

- Act as the review body for Freedom of Information appeals

### **Civil Claims**

- Maintain an overview of Civil Claims

### **Information Governance**

- Review Corporate Strategy, policies and procedures in relation to Information Governance for both the PCC and CC.
- Review reports from the Senior Information Risk Owner (SIRO), of both the PCC and CC, relating to the implementation of the corporate strategy, compliance with Data Protection Act and other information Governance related legislation.
- Consider any implications for governance and the annual governance statements of both the PCC and CC from issues in this area.

