



Cleveland Joint Audit Committee – OPEN SESSION

Date: Thursday 28 March 2024

Time: 10:00 – 12:30

Venue: Cleveland Rooms 1 and 2, CPHQ, Cliffland Way, Hemlington, TS8 9GL and MS Teams

Meeting Attendance:

| Committee Members | |
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| Stuart Green – Chair (SG) | |
| Gill Rollings (GR) | |
| Liz Hall (LH) | |
| Joanne Gleeson (JG) | |

| Office of the Police and Crime Commissioner | |
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| Lisa Oldroyd (LO) | Chief Executive and Monitoring Officer |
| Michael Porter (MP) | Chief Finance Officer – OPCC |
| Elise Pout (EP) | Temp Head of Policy, Partnerships & Delivery |
| Emma Keay | Executive Assistant |

| Cleveland Police | |
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| Richard Baker (RB) | Assistant Chief Constable |
| Gillian Currie (GC) | HMIC Liaison Officer |
| Ian Wright (IW) | Director of Finance and Assets – Executive |

| Internal Auditors – RSM UK Risk Assurance Services | |
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| Philip Church (PC) | Senior Manager |
| Hollie Adams (HA) | Assistant Manager |

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

Apologies:

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| Dan Harris | RSM Head of Internal Audit |
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| Agenda Item: | Discussion / Action: | Action Owner: |
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| 1. | <p>Apologies for absence:</p> <p>Apologies were noted.</p> | |
| 2. | <p>Declarations of Interest:</p> <p>No declarations of interest were made.</p> | |
| 3. | <p>Open minutes of the previous meeting, held on the 12 December 2023:</p> <p>The minutes of the previous meeting, subject to some grammatical amendments, were deemed an accurate and reasonable record.</p> | EK to amend |
| 4. | <p>Internal Audit Reports and Plan Progress Update:</p> <p><u>Internal Audit Progress Report - PC</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>So as we currently stand, there will be reference and ahead of internal opinion, but not ultimately impact on our overall opinion on governments to keep the CFLS abreast of the two complete them.</p> <p>Since the last committee, 6 reports have been finalised. Currently RSM have issued 12 reports, 8 positive and 4 negatives. PC confirmed whilst these will be referenced, ultimately, they will not impact the overall opinion. PC will keep the CFOs updated.</p> <p>SG noted and on behalf of members welcomed the progress made.</p> <p><u>Emergency Services Briefing Report - PC</u></p> <p>This report provides some interesting 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 functions.</p> <p>GR, would welcome a better understanding of misconduct hearings in Cleveland Police. And would also welcome sight of Stop and Search statistics.</p> <p>ACTION: It was indicated that this information is already published on the Force website. EK to share the appropriate links with members.</p> <p>ACTION: JIAC members would welcome an overview of the ongoing misconduct proceedings in Cleveland Police, this update</p> | EK DSE |

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| | <p>should include national comparison, overall volume, repeat trends and demographic characteristics.</p> <p>Members request this update be presented at the June 2024 meeting.</p> <p>ACTION: RSM to facilitate training for members, to be coordinated with the induction of new JIAC panel members</p> <p><u>Health and Safety – HA</u></p> <p>HA reminded members this area was reaudited as part of the 2023/24 plan following the minimum assurance opinion in 2022/23.</p> <p>Overall, the review resulted in 2 high and 5 low actions, providing a partial assurance opinion. HA emphasised, although only partial assurance, it is important to mention the progress made to implement the actions identified as part of the previous review.</p> <p>Concern was raised reference the Health and Safety Manager vacancy, by EH. IW indicated the role is proving difficult to following 2 unsuccessful recruitment rounds. The job description has been reviewed and will be readvertised; IW advised it is a tough recruitment market. The role is being covered temporarily, which IW recognises is not ideal.</p> <p><u>Victims Code – HA</u></p> <p>This review considered the Forces control framework in relation to the code of practice for victims of crime and how the first monitors compliance with the code.</p> <p>So again, another partial assurance opinion based on 2 high, 4 medium and one low priority management action.</p> <p>SG, would agree there is still work to be done in particular around the design of the system, and the compliance with the controls within the system.</p> <p><u>Ethical Standards- HA</u></p> <p>This report is a substantial assurance opinion, and is really positive based on 1 low, and 1 medium priority action and one suggestion.</p> <p>Members agreed this is an excellent report. In recognition for their efforts, SG requested formal thanks be recorded for Sgt Neal Gillson, and all officers involved.</p> | <p>EK / PC</p> |

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| | <p><u>Follow-up of Previous Internal Audit Management Actions: Visit 2 – HA</u></p> <p>27 management actions were considered as part of this review, one action was marked as ongoing and dropped to a lower priority management action to reflect progress and again with the progress opinion, another overall positive result.</p> <p>SG gave thanks to all involved, both officers and staff for pushing these through.</p> <p><u>Data Quality: Monitor and Audit Compliance Against NCRS and HOQR – HA</u></p> <p>Another really positive opinion, substantial assurance, based on one medium and one low priority management action.</p> <p>All members agreed this is excellent progress and SG is pleased to see the work coming to fruition. Thanks, given to all involved.</p> <p><u>Internal Audit Plan – PC</u></p> <p>This is the proposed plan for 2024/25, PC emphasised the importance for members to consider the plan, and asked if it covers the key risks faced by the organisation as they recognise them. Are the assurances sufficient in relation to those key areas? And are there any areas within the plan that haven't been covered and members think should be?</p> <p>The plan was agreed in principle, subject to conversations outside of the meeting between the CFOs and PC regarding; a high-level Vetting briefing to reflect the significant progress made in Vetting, Health and Safety, and Overtime.</p> <p>MP highlighted PRISM and it was agreed it would be beneficial to include a briefing in the high-level Vetting update report for panel members.</p> <p>ACTION: Members suggested a PRISM update be included in the misconduct briefing.</p> | |
| 5. | <p>External Audit Update:</p> <p>2022/23 Audit of the Financial Statements – GB gave assurance work is virtually complete. This is subject to the Teesside Pension Fund assurances, which was expected in March 2024, but has been delayed. GB is hopeful this assurance will be received and Mazars can conclude the audit.</p> | |

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| | <p>Subject to these assurances, GB anticipates Mazars will be able to issue an unqualified opinion on both the PCC and Group accounts and the Chief Constables accounts.</p> <p>Value for Money (VFM) Arrangements – Mazars have a draft auditors annual report, but it cannot be finalised until the audit opinion is issued.</p> <p>In advance, GB advised, in terms of the value for money report, Mazars will be reporting a significant weakness and recommendation once again in relation to the 2022/23 financial year. This relates to the most recent HMICFRS report where a couple of areas continue to be highlighted as inadequate.</p> <p>The report will be contextualised and will also reflect the good progress made, as HMICFRS is reporting late in 2023 that these areas of inadequacy have been addressed.</p> <p>This report will be shared with Management and subsequently JIAC as soon as possible.</p> <p>2022/2023 will be GB and CDs last audit year. GB must be rotated off to comply with the audit and standards, having served five years as engagement lead, and ethical standards require a change of engagement lead after five years to ensure independence.</p> <p>The new engagement lead will be a partner and is Mark Kirkham. The new manager is Cath Andrew, who's a senior manager. There will be no change to the team leader, Reece Malcolm, who will be continuing in his current post.</p> <p>SG, welcomes the unqualified opinions that reflect very well on the work of the CFOs and their teams.</p> <p>SG also noted the update reference the VFM reports, and welcomes the comments in the report, reflecting the efforts by senior officers and staff.</p> | |
| <p>6.</p> | <p>Annual Governance Statement:</p> <p><u>Force Annual Governance Statement – Final – IW</u></p> <p>IW, confirmed good progress has been made against some of the adverse opinions from previous audits.</p> <p>IW update members on the CDSOU Collaboration Section 22 and confirmed the Section 22 is agreed between officers and is due to be signed at the Joint Oversight Group (JOG) on 10th April 2024.</p> <p>SG and members noted the strategic planning and progress made.</p> | |

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| | <p><u>PCC Annual Governance Statement – MP</u></p> <p>MP, is pleased with the progress made, the team has worked well to address most of the actions.</p> <p>All agreed this is pleasing to see.</p> | |
| 7. | <p>Corporate Governance Framework – IW:</p> <p>IW, apologised this should not have reached the Committee at this stage. It is IW's intention to present this at the JUNE JIAC, as it remains subject to internal governance processes.</p> <p>ACTION: Members to note the contents and it be recorded members are happy with the changes it job titles. And IW to come back to the Committee with the evidential base for adjusting the thresholds, at the June JIAC.</p> | IW |
| 8. | <p>Contract Standing Orders – Exemptions Report – IW:</p> <p>IW addressed the volume issue, and confirmed gaps remain in the establishment. By way of assurance IW informed members, the start date outlined in the report, has been expedited from the 01 May to the 13 April 2024. And the additional recruitment is underway.</p> <p>ICT remains a challenging market, and a couple of key strategic contract management issues the Contract Manager is having to dedicate time to, at a time resource is limited. These include the Mitie contract and Custody, and Tascor relating to Property.</p> | |
| 9. | <p>2024/2025 Financial Plans – MP</p> <p>One of the biggest risks highlighted previously was that there is only a two-year balance plan, MP was pleased to confirm the plan is now balanced for the next four years. Albeit this is not without some significant challenges, MP highlighted the really good progress.</p> <p>We are investing heavily next year in terms of additional police officers. The precept was well supported by the Police and Crime Panel and the Commissioner supports investing all of that money in additional officers and the Police and Crime Plan supports this. MP, did advise members, albeit a good position, it does not give the organisation everything they want and probably could do more with more. MP is confident it is a good plan.</p> | |

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| | <p>JG, complimented the reports for being very concise, telling the reader clearly all they need to know to understand what is going on in the organisation.</p> <p>SG, sought assurance reference the review of staff and the establishment, it would seem the plan very much hinges on it. IW, Senior managers, Superintendents, and staff equivalents have been instructed to look at their structures, and within a designated budget, they can design their structures to deliver in their business area.</p> <p>This will be signed off at the Police Staff Establishment Control Panel and then begin recruitment. The target is to have these new structures signed off by the 03 September 2024.</p> <p>IW emphasised, there is no redundancy programme and no threat to individual police staff members. And Force Control Room is not taking part in the police staff budget review, given the level of risk in this area.</p> | |
| 10. | <p>Audit Committee Terms of Reference Schedule of Work and Meetings Schedule – MP:</p> <p>MP, sought members approval or feedback reference the proposed schedule of works and meeting dates.</p> <p>MP confirmed one or two minor amendments, one significant change request is the addition of treasury management to the terms of reference of the committee. MP request it be included to provide the committee with additional oversight.</p> <p>Members agreed the plan and welcomed the inclusion of Treasury Management and the plan, SG recognised the plan as very well developed.</p> | |
| 11. | <p>Treasury Management Report – MP:</p> <p>MP has included this as information to support the work and addition around the treasury management.</p> <p>ACTION: An interim meeting to be secured before the June JIAC to provide a Treasury Management briefing and an opportunity to discuss the Outturn Report.</p> | EK |
| 12. | <p>Resolution Team Complaints Update – EP:</p> <p>The Resolution Team went live in January 2022 and achieved the Customer Excellence award in October 2023. And this year the team has been a key contributor to the National APCC Complaints Toolkit. Only 2 organisations adopt Model 3, Cleveland, and North Yorkshire.</p> | Michael Porter |

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| | <p>It is clear from the statistics in the report the team are excelling, the team deal with some complex cases, are always busy, remaining compassionate throughout.</p> <p>The IOPC always point people in Cleveland's direction for information or demonstration on how to run Model 3.</p> <p>SG gave thanks for the efforts made, and asked how this success and magnificent work relates to the work of the Force and the OPCC.</p> <p>LO, confirmed organisational learning, trends and how they influence service improvement are addressed at the Scrutiny Panel. RB, seconded this on an operational level it helps to understand and identify problems.</p> <p>EP, indicated although difficult to quantify immediately, it impacts public confidence.</p> <p>SG, this is great work provided the learning and information is being relayed where it needs to. And gave thanks to EP and the team.</p> | |
| 13. | <p>OPCC Commissioning Toolkit – EP:</p> <p>EP has completed and is presenting work Rachelle Kipling began, as a result of Commissioning Audit.</p> <p>The toolkit sets out the approach and the guidelines for the Office deals with commissioning services, the processes, principles, policies in one central document.</p> <p>MP, really pleasing to see, recognise the work of the team in addressing all the actions from the internal audit.</p> <p>SG confirmed the work of the team is well noted.</p> | |