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

**25<sup>th</sup> September 2025**

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

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# Joint Independent Audit Committee

## Annual Report

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### FOREWARD

The Purpose of this report is to provide assurance that the Joint Independent 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 2024/25 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 2024/25.

### 1. INTRODUCTION

- 1.1 This annual report of the Cleveland Joint Audit Committee covers the 2024/25 financial year.
- 1.2 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 2024/25 are reproduced at Appendix A for information.
- 1.3 The Terms of Reference have had one additional area of responsibility added from previous years which is in relation to Treasury Management and 'To be responsible for ensuring effective scrutiny of the treasury management strategy and policies.'
- 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.
- 1.5 The Committee appointed 3 new Member during the year to fill a vacancy that arose at the end of the 2023/24 financial year, an unexpected vacancy that arose in year due to a resignation and an element of forwarding planning for a Member who will have served for the maximum 8 years period during 2025/26.

## Members of the Joint Audit Committee

Role	Member	Dates in role
Chair	Stuart Green	Throughout the financial year
Vice Chair	Joanne Gleeson	resigned 11th April 2024
Vice Chair	Elizabeth Hall	Throughout the financial year
Member	Gill Rollings	Throughout the financial year
Member	David Chefneux	From September 2024
Member	Jonathan Carling	From September 2024
Member	Catherine Dillon-Goodier	From October 2024

- 1.6 In addition to the normal quarterly cycle of 4 meetings for the 2024/25 financial year, the Committee also undertook an additional meeting in February 2025 to consider the Statement of Accounts and associated documents. 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:

- 27<sup>th</sup> June 2024
- 26<sup>th</sup> September 2024
- 10<sup>th</sup> December 2024
- 19<sup>th</sup> February 2025
- 27<sup>th</sup> March 2025

- 1.7 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 2024/25.

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

- 2.2 In our last Annual Report, we outlined that your External Auditors issued an **unqualified opinion on the financial statements for the PCC & Group and CC** in relation to 2022/23.
- 2.3 However as in previous years, the External Auditors anticipated a significant delay before they would be able to issue their 2022/23 audit certificate, as they awaited National Audit Office clearance on whether they will be required to undertake additional procedures as a sampled component.
- 2.4 This clearance was received during 2024/25 with the Audit Certificate for 2022/23 being issued on the 20<sup>th</sup> December 2024 which formally concluded the 2022/23 audit.

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

- 2.5 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.
- 2.6 On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations required the PCC and Group to publish its Accountability Statements, which include the financial statements and auditor's opinion for the year ended 31 March 2024, by 28 February 2025 ('the backstop date').
- 2.7 The Committee therefore held a separate and additional meeting on the 19<sup>th</sup> February 2025 to consider the financial statements and associated documents.
- 2.8 At this meeting the Committee Considered the Audit Completion Report and the Annual Audit Report from your External Auditors.
- 2.9 Amongst other things the Audit Completion Report set out that '*in February 2025 the Pension Fund auditor communicated their intention to issue a disclaimed audit opinion on the Teesside Pension Fund financial statements for the year ended 31 March 2024.*
- 2.10 *The Pension Fund auditor has informed us that they expect to be able to provide us with the details of the work they have performed on benefits paid and transfer values in and out.*
- 2.11 *With this information we expect to be able to conclude on the material accuracy of the pension liability in your accounts. Work on asset valuations, however, is unlikely to be completed before the 28 February 2025 backstop date.*
- 2.12 *We are unable to design and perform alternative audit procedures that would provide sufficient, appropriate audit evidence for the valuation of the defined benefit assets and we will need to **modify our audit opinion** to reflect this.'*
- 2.13 In the opinion of your External Auditor Auditors, '**except** for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:
- give a true and fair view of the financial position of the PCC and Group as at 31st March 2024 and of the PCC and Group's expenditure and income for the year then ended; and
  - have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.'

2.14 **Basis for Qualified Opinion**

- 2.15 The PCC and Group's status as an admitted body to the Teesside Pension Fund is described in the financial statements (note 20). The net defined benefit liability as at 31 March 2024 is £nil which comprises £222.721m of gross assets and £186.898m of gross liabilities and £35.823m effect of the asset ceiling as disclosed in note 21.
- 2.16 On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations require the PCC and Group to publish its Accountability Statements, which include the financial statements and auditor's opinion for the year ended 31 March 2024, by 28 February 2025 ('the backstop date').
- 2.17 The backstop date introduced by the Amendment Regulations has impeded our ability to obtain sufficient appropriate evidence over the following material elements of the financial statements:
- the value of scheme assets as at 31 March 2024 (£222.721m) as disclosed in notes 20 and 21; and
  - the return on plan assets for the year ended 31 March 2024 (£9.682m) as disclosed in note 20.
- 2.18 As a consequence, we were unable to determine whether any adjustments to the following amounts were necessary:
- the gross assets included in the net defined benefit liability; and
  - the return on plan assets, and the consequential effects on the remeasurements of the net defined benefit liability included in other comprehensive income and expenditure and the pension reserve.
- 2.19 A qualified opinion on the accounts and audit certificate was issued on 24 February 2025 in relation to the 2023/24 financial statements solely because the External Auditors were unable to determine whether any adjustments are necessary on these elements of the financial statements

**Value for Money Conclusion 2023/24**

- 2.20 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.*'
- 2.21 Previous reports from the External Auditors had referred to the previous finding of HMICFRS and concluded that significant weaknesses existed in relation to Financial Sustainability and Improving Economy, Efficiency and Effectiveness.
- 2.22 Building on the latest formal reporting from HMICFRS confirming that action has been taken to address the significant weakness in 2023/24 then the External Auditors work '**did not identify any evidence to indicate a significant weakness in arrangements in the value for money reporting criteria.**'

- 2.23 The Committee is pleased to see this progress and the removal of any qualifications in relation to Value for Money for both the PCC and CC.
- 2.24 As in previous years, the External Auditors anticipated a significant delay before they would be able to issue their 2023/24 audit certificate, as they awaited National Audit Office clearance on whether they will be required to undertake additional procedures as a sampled component.
- 2.25 This clearance was received during 2025/26 with the Audit Certificate for 2023/24 being issued on the 4th of August 2025 which formally concluded the 2023/24 audit.

**Statement of Accounts 2024/25**

- 2.26 The Committee considered the Draft Statement of Accounts for 2024/25 at our meeting in June 2025 – the accounts had been produced by your Officers by the statutory deadline, which was 30<sup>th</sup> June 2025, and were subsequently made available for Audit.
- 2.27 As with all areas of External Audit reporting the Committee is keen to see improvements around timeliness of the audit and the subsequent reporting and will look to hold Forvis Mazars to account throughout 2025/26.

### 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 2024/25 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. The Internal Auditors have also considered other factors affecting you in the year ahead including changes within the sector.
- 3.3 The internal audit priorities were discussed at the Force's Audit, Inspection and Risk Board meeting and more detailed discussions were held with the PCC's Chief Finance Officer and the Chief Constable's Chief Finance Officer.
- 3.4 The Joint Independent Audit Committee commented on, considered and endorsed the 2024/25-2026/27 internal audit strategy at its meeting in March 2024 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 2024/25.

#### **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 2025 involved 10 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 9 audits that received assurances during the 2024/25 audit the assurance levels were as follows:

Assurance Level	No. Of Audits
Substantial	5
Reasonable	3
Partial	
Minimal	1

3.9 These 9 audits only generated 35 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 35 actions were split as follows:

Action Level	No. Of Recommendations
High	2
Medium	17
Low	16

3.10 The number of actions issued in 2024/25 was more in line with 2022/23 (44 actions from 9 audits) that the significantly higher volume (of 78) that were raised and highlighted by the Committee from the 12 audits that took place during 2023/24

3.11 Of the 9 audits that took place in 2024/25, 2 related to an assessment of progress in dealing with the actions raised by Internal Audit, both reviews showed that 'Good Progress' was being made on previous actions, with only 1 action raised across these 2 reviews.

3.12 The Committee welcomes this continued focus on addressing and implementing agreed actions and looks forward to seeing this maintained in 2025/26 and beyond.



- 3.13 In addition to the 9 audits where a formal opinion was provided there was also an advisory review relating to data protection, which resulted in 2 medium actions.
- 3.14 **There was one audit relating to Data Quality that was still in progress when the Audit year concluded, and the Committee will pick this up with the Internal Auditors and Management during 2025/26.**
- 3.15 A Force monitoring report on the implementation of audit recommendations is submitted to the Committee every six months. The last report relating to the 2024/25 financial year, was in June 2025 and showed only 29 outstanding recommendations (this continues the excellent management of this area and maintains a significant reduction from the 60 outstanding actions reported 3 years ago).
- 3.16 Of these 29, a further 15 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 – 2
  - Medium – 16
  - Low – 11
- 3.17 In addition to the report from the Force, the OPCC also produce a separate report to track and provide oversight of any internal audit actions that are specific to the work of the OPCC.
- 3.18 The OPCC internal audit tracker includes 29 recommendations, of these recommendations, 22 have been identified as complete by the OPCC and are awaiting sign off by Internal Audit.
- 3.19 6 of the 7 remaining actions have been reported as past their due date, with a rationale provided for this. The Committee will closely monitor the implementation of these delayed actions along with all others throughout 2025/26.

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

- 3.20 The Head of Audit's annual report was received by the Committee in June 2025 relating to the work carried out primarily in the financial year 2024/25. 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**

- 3.21 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 continue to 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.
- 3.22 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.
- 3.23 The Committee welcomes the Force continuing to take a proactive approach to HMICFRS activity, and notes that whilst the GAIN Board continues to monitor progress against existing recommendations and areas for improvement, its' core focus is on working towards achievement of the standards of good outlined in the HMICFRS PEEL Assessment Framework.
- 3.24 The Committee looks forward to seeing the outcome from this approach.
- 3.25 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.

- 3.26 The report received from the Force in December 2024 showed that the Force's position has continued to improve since the last update provided to the Joint Audit Committee.
- 3.27 The Force's position has continued to improve over the past 12 months. Despite the receipt of a number of national recommendations issued to all forces the number of 'live' actions has further reduced and of the 123 current live actions (down from 133 in December 2023), only 15 are specific to Cleveland Police (down from 26 in December 2023).
- 3.28 **PEEL Inspection**
- 3.29 The Committee has seen the significant progress made over the last 3 years in addressing HMICFRS actions, investing heavily in internal audit resources and addressing internal audit actions as well as addressing governance issues and therefore was pleased to see the fantastic progress recognised in the report issued by the HMICFRS in April 2025.
- 3.30 The Committee was pleased to note that the HMICFRS reported that 'Cleveland Police has made **progress in all areas** since its previous inspection' and that 'It found the service was 'good' in four areas, 'adequate' in two areas and 'requires improvement' in two areas.'
- 3.31 But also noted that HMICFRS also noted that the Force 'must improve how it investigates crime and protects vulnerable people'
- 3.32 The Committee will continue to oversee this area in line with its Terms of Reference.

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

- 4.1 The additional meeting of the Committee in February 2025 considered both the PCC and CC's final Annual Governance Statements for 2023/24; the Committee recommended that both the PCC and CC adopt the documents presented.
- 4.2 The draft versions of both documents for 2024/25 were considered by the Committee in June 2025, feedback will be provided prior to the final version of the 2024/25 Statements being agreed alongside the final statement of accounts for the 2024/25 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 2024, December 2024 and March 2025, which reflected minor changes required to ensure that the code remains up to date in relation to the changes in the Procurement legislation and also changes to the financial limits of lower value procurements.

- 4.4 There were also welcome amendment to the authorization and approval levels for insurance and legal claims which the Committee believes will strength these processes too.

## **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 2024/25.
- 6.3 The Committee has considered 1 FOI appeal from the PCC's Office during 2024/25
- 6.4 **As set out within the Annual Report from last year the Committee 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.'**
- 6.5 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.
- 6.6 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).
- 6.7 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.
- 6.8 The Committee is assured that while the complaints per 1000 employees is higher than national average the IOPC are happy that the Force record in line with guidance.

- 6.9 The Committee was also pleased to see that the average time to log complaints and record complaints in Cleveland remains significantly lower than the national average, and that the timeliness of investigations remains in a good position however, noting that there had been a slight increase on the overall number of days to investigate complaints, with an increase of around 20 days.
- 6.10 The Committee welcomed the data and reporting from the OPCC in relation to the Model 3 Complaint model during 2023/24 however note that a similar report was not received during 2024/25.
- 6.11 **The Committee would like to receive an annual report from the OPCC on Model 3 Complaints.**
- 6.12 The Committee was however pleased to see the positive outcome from Internal Audit in relation to the Complaints where they reported a positive outcome and noted that *'There are effective procedures and training mechanisms in place to facilitate the receiving, recording and resolving of expressions of dissatisfaction from the public. Processes enable escalation to the Department of Standards and Ethics (DSE), and an independent adjudicator, should individuals not be satisfied with responses received'*
- 6.13 The Committee also continued to see the progress being made in relation Ethics work within the Force. The Committee continues to be impressed with the breadth of work in this area and the strong governance arrangements that are in place that drawn on internal, external and partners to help inform area of debate and further embed ethical dilemmas and thinking within the Force.

## **7 HEALTH AND SAFETY**

- 7.1 The Committee received the Annual Health and Safety Report from the Chief Constable in June 2025, covering the 2024/25 financial year.
- 7.2 The Committee has raised significant concerns in relation to this area for several years, on the back of 2 poor Internal Audit Reports, the first 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 The Committee welcomes the significant improvements that are now being reported within the Annual Report. The processes, procedures and oversight of this area appear to have increased and improved significantly from last year.
- 7.8 The Committee has raised concerns over both the level and accuracy of the reported number of **injuries on duty** sustained by Police Officers and Police Staff for a number of years.
- 7.9 Previous Health and Safety Annual reports recognised these concerns and work done as a result of the issues raised by the Audit Committee led to a review of the reporting in this area with a report suggesting 'that this may have been due to the knowledge of reporting responsibilities amongst staff and first line managers'
- 7.10 The Committee notes the significant increase now being reported in relation to injuries on duties for 2024/25 (466) in comparison to 2023/24 (276). It would be helpful for the Committee to understand whether almost 180 injuries on duty per 1,000 'employees' is comparable to similar Forces.
- 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 a report to its June meeting setting out details of Civil Claims during 2024/25.
- 8.2 **The Committee was concerned to see the level of costs and damages incurred on 5 Employment Tribunals finalised in the year which totaled £2,637,365.40.**
- 8.3 The Committee noted there were 269 claims received during 2024/25 compared to the previous period, in which there were 260 claims received.
- 8.4 The level of claims being reported to the Committee are significantly higher than previous years now that the public liability figures include small claims, which were previously handled by Finance and relate to claims for damage to

property following a forced entry-, and low-level property claims for damages to/loss of/destruction of property.

8.5 The Committee was pleased to see the level of claims either withdrawn or successfully defended during the year, at 65%, had increased significantly from 2023/24 (57%).

8.6 **The Committee remains concerned about the level of costs being incurred in this area and has seen the impact reported within the finance reports in relation to significant increases needed within the Insurance and Legal provision and also in terms of the amounts now being paid for insurance premiums.**

## **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 2024 relating to the 2023/24 financial year.

9.2 The Committee was surprised and concerned to see that despite the significant recruitment of Police Officers over the last 6 years that Male officers continue to comprise 67% of officers serving in 2023/24.

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 2020/21)
- 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 while over 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 While there are significant variances across different staff group the Committee does note that the Force has made good progress in achieving gender balance over the past six years. While women continue to be underrepresented, with a current 8% gap, this gap has reduced from 12% in 2021.

9.5 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 Cyber Security and Information Governance at the September 2024 meeting.
- 10.2 The Committee noted that the Governance around this area continue to be reviewed and updated as needed, with the Information Assurance Board being replaced by/incorporated into the Digital Data and Change (DDaC) board. This meets monthly, with a quarterly meeting specially dedicated to Information Management issues.
- 10.3 The Committee also received a very information and helpful briefing on Cyber Security that added significant context and assurance to the work done in this area.

## **11 TREASURY MANAGEMENT**

- 11.1 This is the first year that this Committee has had the responsibility for this area of work. The Committee received a comprehensive overview of the Strategy, Policies and ways of working for the area which has put the Committee in a very strong position to scrutinise and ask questions of management.
- 11.2 The Committee was assured that the organisation on behalf of the PCC worked within the investment strategy put forward at the start of 2024/25, and also that all of the prudential indicators that were set by the PCC for 2024/25 were worked within.



## **APPENDIX A**

### **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.

### **Treasury Management**

- To be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

### **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.

