



POLICE AND CRIME COMMISSIONER FOR CLEVELAND

Out of Court Resolutions

FINAL Internal Audit Report 12.25/26

15 June 2026

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AUDIT OUTCOME OVERVIEW

In line with our scope, included at Appendix C, the overview of our findings is detailed below.

Background As part of the 2025/26 internal audit plan, we have undertaken a review of the Force's management and use of Out of Court Resolutions (OoCRs). Our audit has considered whether policies and procedures are in place, whether OoCRs have been correctly applied and approved, the reporting and monitoring process, and whether quality assurance checks are undertaken. Our review has incorporated sample testing of the following OoCRs:

- Community Resolution;
- the DIVERT scheme; and
- cautions.

Our audit has also incorporated the use of youth OoCRs, and whether these have also been applied and approved correctly.

OoCRs for adults are managed by the Force's UTurn Team, whereas resolutions for young people are managed by the Youth Offending Team and Early Intervention Team. Guidance on OoCRs is provided by the National Police Chiefs' Council (NPCC) and has been used as part of our audit. The Force uses its Records Management System to record details of each OoCR, including a record of approval.

Conclusion: Our review identified that a clear process is in place with respect to the use of OoCRs, supported by training, reporting, and a formal policy. Sample testing of Community Resolutions and youth OoCRs confirmed no instances of non-compliance, and our sample testing of DIVERT cases noted only one discrepancy (though this was due to an incorrect closure outcome being used).

However, we noted that scrutiny of OoCRs could be improved with the re-introduction of the OoC Disposal Scrutiny Panel, allowing for further review and scrutiny of cases to confirm whether they have been processed and completed correctly. This was previously in place though no meeting has been held since March 2025.

As a result of our audit, we have agreed **one high** and **one medium** priority management action.

Internal audit opinion:



Minimal Assurance



Partial Assurance



Reasonable Assurance



Substantial Assurance

Taking account of the issues identified, the board can take reasonable assurance that the controls upon which the organisation 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(s).

Audit themes: Our review identified the following issues resulting in the agreement of one high and one medium priority management action:

Policies and Procedures

An OoCR Policy is in place, and available to officers, staff and the public. We confirmed the policy was largely up to date, other than containing reference to an OoCR that is no longer in use. It was highlighted that work is underway to update the contents, but if policy documentation is not reflective of the Force's current processes, there is a risk that officers may not be aware of the correct procedures for using OoCRs. **(Medium)**

DIVERT Scheme – categorisation

An initial sample of 10 cases where the suspect has been referred to the DIVERT scheme identified one instance where they have been incorrectly recorded as taking part in the DIVERT scheme.

Cautions – approval

For a sample of 15 cases where a caution has been issued, we confirmed 12 were referred to the UTurn Team and approved. For one caution, we noted that a Sergeant did approve the caution as this could not be reviewed by the UTurn Team. For the remaining two, we identified that they were not referred to the UTurn Team as they were domestic abuse cases. Cautions can be issued for domestic abuse cases in certain circumstances, and we verified that approval by a Chief Inspector was on file for both cases. However, one of these approvals was documented via email rather than via the dedicated Niche template.

Scrutiny

An OoC Disposal Scrutiny Panel was in place and used to review samples of OoCRs to confirm they were completed correctly. Attendees to the panel included the Force, members of the OPCC, CPS, and other supporting partner agencies. The most recent meeting was held on March 2025, and none have been held since. Discussion with management highlighted the importance of the meeting, particularly for gathering general feedback, and feedback from partner agencies, although it was noted that the meetings typically required extensive preparation in advance, to ensure a range of samples had been selected and redacted. The Panel is scheduled to be restarted in June 2026. If OoCRs do not receive sufficient scrutiny, there is a risk that non-compliance could go undetected or unaddressed, resulting in criminal offences and cases not being effectively managed and closed. **(High)**

Further details of the agreed management actions can be found under section two of this report.

Our review identified the following controls to be adequately designed and operating effectively:

Community Resolution

Sample testing of 12 Community Resolutions (CR) confirmed that a full and complete audit trail was on file within Niche, including approval by a Sergeant. We verified that all individuals subject to the CR were eligible based on the information recorded within Niche, and the suspect had been made aware of the impact of accepting the CR. In all instances where appropriate (seven out of 12), we confirmed that the victim had been consulted and a record retained of this discussion. In the remaining five cases, there was no victim due to the nature of the offence (such as possession of drugs).

DIVERT Scheme - eligibility and approval

Using an updated sample of 10 cases, we confirmed that a full and complete audit trail was on file within Niche, including approval by a Sergeant. In all instances we verified that the suspect has been made aware of the impact of participating in the scheme, and all accepted and willing to participate. We also confirmed that all were eligible, and where appropriate the victim's views have been consulted and recorded.

Cautions – eligibility

For all 15 cautions sampled we confirmed that a full and complete audit trail was on file within Niche. This includes the suspect admitting to the offence, a record of the caution on Niche, checks against the suspect to confirm previous history, and the views of the victim.

Youth

For five early intervention OoCRs and three youth offending cases, we confirmed a full and complete audit trail was on file, including internal approval, consent by the suspect's parent or guardian, the outcomes of any work undertaken (such as educational sessions), and checks against the suspect's history.

Training

OoCR training is provided to all probation officers when joining the Force, alongside input as part of dedicated training days, ensuring existing officers are made aware of the OoCR process.

Monitoring

The Force's UTurn Team is responsible for reviewing and monitoring OoCRs, which we verified during both our sample testing and an onsite walkthrough. A Power BI dashboard is in place to support this, allowing users to drill down to specific cases, areas or officers. The dashboard includes both adult and youth resolutions. Separate reporting for youth OoCRs are also in place and reported to the Sergeant (Youth Offending and Early Intervention) and the responsible Chief Inspector.

Monitoring

OoCRs were covered as part of the PCC's monthly scrutiny meeting in September 2025. The outcome of this meeting was that the PCC was 'not assured', and that further scrutiny was required in six months time. Our audit has not covered this second scrutiny meeting, as this had not yet been held at the time of our audit. Rationale for the lack of assurance was due to lower than anticipated OoCR and re-offending rates. Management confirmed that the second scrutiny meeting is scheduled for May 2026.

01

SUMMARY OF MANAGEMENT ACTIONS

The action priorities are defined as*:

High

Immediate management attention is necessary.

Medium

Timely management attention is necessary.

Low

There is scope for enhancing control or improving efficiency.

Ref	Action	Priority	Responsible Owner	Date
1	The Out of Court Resolutions Policy will be reviewed and updated to reflect the current processes and further detail the approach for young people.	Medium	Prevention Superintendent	31 July 2026
2	The Force will attend the new Out of Court Resolution Scrutiny Panel and continue to attend the meetings and assist with the selection of cases. The Force will evaluate the effectiveness of the Panel and whether sufficient scrutiny has been applied to out of court resolutions.	High	Prevention Superintendent	31 October 2026

* Refer to Appendix A for more detail

Detailed Findings and Actions

02



DETAILED FINDINGS AND ACTIONS

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all audit testing undertaken.

Area: Out of Court Resolutions				
Control	An Out of Court Resolutions Policy is in place and available to staff via the intranet. This outlines the Force's approach to Out of Court Resolutions. The policy aligns with NPCC guidance and outlines the Force's approach to using OoCR.	Assessment:		
		Design	✓	
		Compliance	x	
Findings / Implications	We confirmed that the Force has an OoCR Policy in place, and this is available to officers and staff on the Force's website. It was highlighted that whilst the policy is in place, work is underway to re-write and update this. From review of the policy and through our sample testing, we did note several gaps, or areas that require updating. For example, we noted that one of the resolutions recorded on the policy is the "immediate justice" pathway. However, during discussion with management, it was highlighted that only four cases had gone through the immediate justice route, and that this was no longer in-use. Furthermore, we could not locate reference to immediate justice on the OoCR page of the CPS website, indicating that this route was no longer in use.			
	It was highlighted that the OoCR Policy is scheduled to be reviewed and updated later in 2026. We confirmed that the current policy was approved in May 2024 by the Chief Officer Team and is not scheduled to for further review until 2027 as per the policy's version control.			
	We also noted that the OoCR Policy focuses on resolutions from an adult perspective, with only one paragraph referring to youth offenders and young people. However, the Sergeant (Youth Offending and Early Intervention) confirmed that each Youth Justice Service within the area has their own policy regarding out of court resolutions for young people. As the Force works with the Youth Justice Service in each area regarding the out of court resolution process, a dedicated policy for the Force has not been created. This also ensures that the Force's policy does not contradict the policy of the local Youth Justice Service. However, containing references to these policies within the existing OoCR Policy could be beneficial to reduce any confusion regarding the process for young persons.			
	Management highlighted that the original policy was written to mirror the Out of Court Resolutions guidance produced by the National Police Chiefs' Council (NPCC), with only one significant change due to the use of the DIVERT scheme, with some offences required to go through DIVERT rather than via the UTurn Team.			
Management Action 1	The Out of Court Resolutions Policy will be reviewed and updated to reflect the current processes and further detail the approach for young people.	Responsible Owner: Prevention Superintendent	Date: 31 July 2026	Priority: Medium

Area: Out of Court Resolutions

Control	All cases processed under the DIVERT scheme are recorded on Niche.	Assessment:	
		Design	✓
		Compliance	✓
Findings / Implications	We confirmed that Appendix A of the OoCR Policy clearly states eligible offences for the DIVERT scheme, we selected 10 cases that were closed on Niche, with the rationale being that they had been processed via the DIVERT scheme. To note, these were closed under Outcome 22, which the Home Office specifies as a 'diversionary, educational or intervention activity'. Further review of the 10 cases identified one that had not gone through the DIVERT scheme or a diversionary, educational or intervention activity, despite being marked as Outcome 22. If cases are not closed accurately, there is a risk that the Force are recording and reporting incorrect data regarding the outcome of cases. Given this, we selected one additional sample to replace the original case that did not go through the DIVERT scheme. Management confirmed that an audit process is in place to review closed cases. Audits are undertaken by the National Crime Recording System (NCRS) Quality and Review Team on a rolling basis, with Outcome 22 cases sampled and reviewed three times in 2025. Management also highlighted that Outcome 22 cases are scheduled to be undertaken later in 2026. It was also noted that samples and sample sizes are selected using guidance provided by the Home Office. As such, we have not raised a management action regarding the sample that was incorrectly closed under Outcome 22, as an audit programme is already in place to review these cases. We have included this within the report for transparency and to highlight that a discrepancy was noted during our sample testing.		

Area: Out of Court Resolutions

Control	All cases where the suspect has received a caution are recorded on Niche. Cautions are approved a Sergeant or higher rank (depending on the circumstances).	Assessment:	
		Design	✓
		Compliance	×
Findings / Implications	For a sample of 15 cases where a caution has been issued, we identified: • 12 were referred to the UTurn Team; • two were not referred to the UTurn Team as they were domestic abuse cases. We confirmed that cautions for domestic abuse cases are approved by a Chief Inspector or above, rather than via the UTurn Team and a Sergeant; and • in one instance the caution was not processed and reviewed by the UTurn Team. However, it should be highlighted that this incident occurred during the weekend, at a time when the UTurn Team were not available. Management also noted that the UTurn Team are a support function and do not have the capacity to review all potential cautions prior to approval. We confirmed that the caution was approved by a Sergeant and in-line with the Out of Court Resolution Policy.		

Area: Out of Court Resolutions

Reviewing the same 15 cases, we confirmed that all had been approved by a Sergeant, other than the two domestic abuse cases which were approved by a Chief Inspector. For one of the cautions that had been approved by the Chief Inspector, we noted that the Niche template that is used to clearly and consistently document approval had not been used. Instead, approval of the caution could be seen via an email trail. Whilst we have confirmed approval was received and is saved on Niche, if the Niche template is not used to document approval there is a risk that a full audit trail might not be retained or easy to locate.

Management Action	See management action two.	Responsible Owner: N/A	Date: N/A	Priority: N/A
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Area: Out of Court Resolutions

Control	Partially missing control - An Out of Court Disposal Scrutiny Panel is in place and is used to discuss a sample of OoCRs to confirm compliance and assess appropriateness of decision making. The Out of Court Disposal Scrutiny Panel is chaired by representatives from the OPCC. Any learning points identified are discussed and disseminated to officers.	Assessment: Design × Compliance -
Findings / Implications	During discussion with the Sergeant (Youth Offending, Early Intervention and School Liaison), and the Sergeant (Uturn), we noted that the Out of Court Disposal Scrutiny Panel last met in March 2025, with no meetings having taken place since. As such, other than oversight within the respective teams (Uturn for adults and the Early Intervention Team and the Youth Offending Team for youth), there is no scrutiny or oversight over individual cases and decision making. This was acknowledged during our discussion with management, and that there would be a benefit to ensuring this scrutiny is in place. It should also be noted that the OoCR Policy explicitly references the Scrutiny Panel. If decision making with respect to OoCRs do not receive adequate scrutiny, there is a risk that non-compliance could go undetected resulting in criminal offences being incorrectly addressed. It was highlighted that when the OoC Disposal Scrutiny Panel was in place, attendees included the Force, and representatives from the OPCC, CPS and supporting partner agencies. We verified this through review of minutes from the most recent two meetings (9 December 2024 and 10 March 2025) and confirmed a range of attendees were in place. Through further review of the minutes from the two meetings, we confirmed that 25 cases were reviewed in each meeting. These were split between 10 adult cases, 10 young people cases, and five DIVERT cases. For each of the 25 cases, we confirmed that a brief statement and score was assigned by the Scrutiny Panel, indicating their comments about the case and whether they were compliant. For the 10 young people cases discussed on 10 March 2025, we identified: - seven cases had been scored as one (indicating that the case was compliant and no issues were noted); - one case had been scored as two. The judgement from the Scrutiny Panel was that this was the appropriate outcome and compliant, but minor observations had been identified going forward; and - two had been scored as four. In these cases the Scrutiny Panel identified issues with the Force's approach, and in both instances the Panel requested additional information to determine whether the correct approach had been taken. A score of four indicates that a conclusion by the Scrutiny Panel has not been met.	

Area: Out of Court Resolutions

We noted all five DIVERT cases were scored a one (confirming the outcome was appropriate), with further comment within the minutes highlighting that a score of one has been achieved for 40 cases in a row.

For the 10 adult cases discussed on 10 March 2025, we identified:

- seven cases had been scored as one (indicating that the case was compliant and no issues were noted);
- one case had been scored as two. The judgement from the Scrutiny Panel was that this was the appropriate outcome, but that another approach may have been more appropriate; and
- two had been scored as three. In these cases the Scrutiny Panel judged these as "inappropriate and inconsistent with policy".

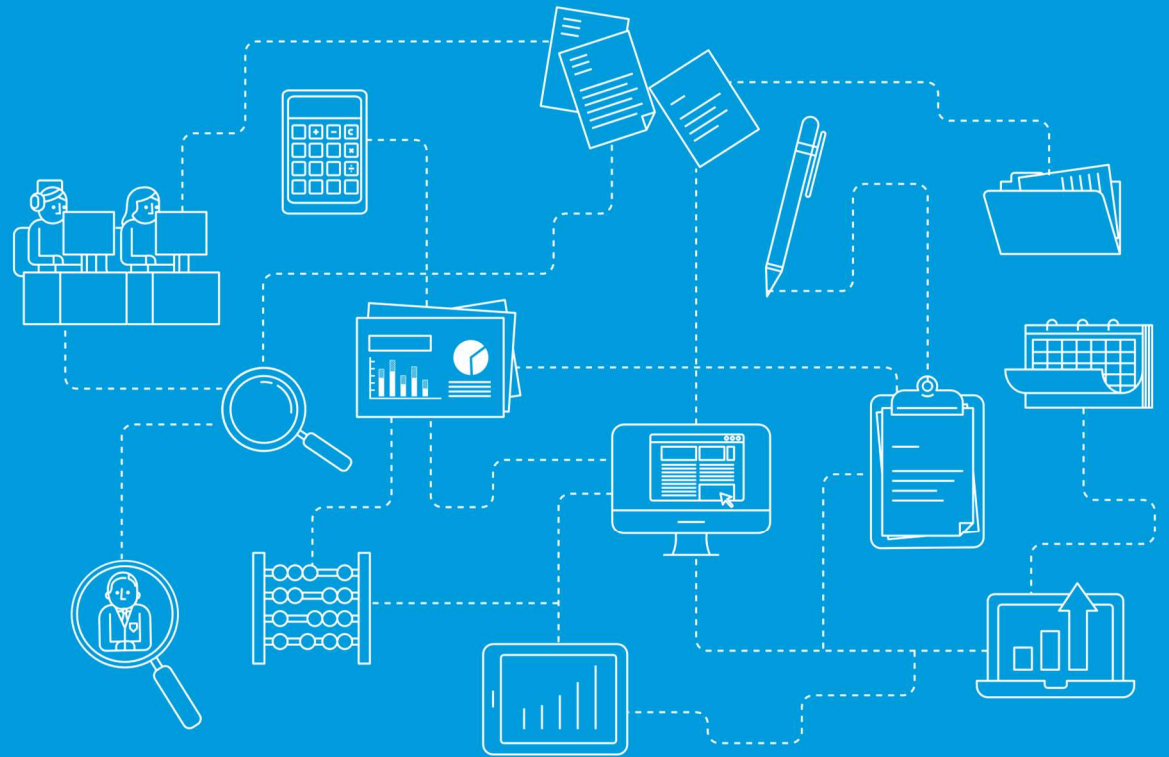
We confirmed that the outcome of the OoC Scrutiny Panel is summarised and recorded on the OPCC website. We verified that the figures reported for the March 2025 matched the details within the meeting minutes.

From review of the case information for all 10 adults sampled in March 2025, we noted that the sample did include a range of cases. For example, five offenders were female, and five were male, and the age of offenders ranged from 22- 76. Management confirmed that plans are underway to restart the Panel, with discussions underway to appoint an Independent Chair at the first meeting which is scheduled for June 2026.

Management Action 2	The Force will attend the new Out of Court Resolution Scrutiny Panel and continue to attend the meetings and assist with the selection of cases.	Responsible Owner:	Date:	Priority:
	The Force will evaluate the effectiveness of the Panel and whether sufficient scrutiny has been applied to out of court resolutions.	Prevention Superintendent	31 October 2026	High

Appendices

03



APPENDIX A: CATEGORISATION OF FINDINGS

Categorisation of internal audit findings

Low

There is scope for enhancing control or improving efficiency.

Medium

Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.

High

Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The following table highlights the number and categories of management actions made as a result of this audit.

Area	Control design not effective*	Non-compliance with controls*	Agreed actions		
			Low	Medium	High
Out of Court Resolutions	1 (13)	2 (13)	0	1	1
Total			0	1	1

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

APPENDIX B: INTERNAL AUDIT ASSIGNMENT OPINIONS



Minimal Assurance

Taking account of the issues identified, the board cannot take assurance that the controls upon which the organisation 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(s).



Reasonable Assurance

Taking account of the issues identified, the board can take reasonable assurance that the controls upon which the organisation 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(s).



Partial Assurance

Taking account of the issues identified, the board can take partial assurance that the controls upon which the organisation 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(s).



Substantial Assurance

Taking account of the issues identified, the board can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

APPENDIX C: SCOPE

The scope below is a copy of the original document issued.

Scope of the review

The scope was planned to provide assurance on the controls and mitigations in place relating to the following objective:

Objective of the risk under review

This review will consider the use of out of court resolutions across the Force and compliance with APP guidance.

When planning the audit, the following were agreed:

Areas for consideration:

- Policy: Review the Force's policies and procedures for OoCRs, including alignment with national guidance. There is clear guidance over when OoCRs can be considered.
- Authorisation: Where a supervisor's authority is required, this is recorded and there is a route for complex or high-risk cases for further scrutiny and approval.
- Consultation: Where appropriate the victim has been engaged with the use of an OoCR.
- Eligibility: Checks have been completed and recorded that the offender is eligible for OoCR, they have accepted responsibility, and the offender made aware of the implications of accepting the outcome.
- Training and Awareness: Review the availability and uptake of training for officers and staff involved in administering OoCRs.
- Monitoring and Reporting: Review of internal monitoring, performance reporting.
- Scrutiny: How the Out of Court Scrutiny Panel (or similar) review the use of OoCRs, performs independent assessments of the appropriateness of the decision making and disseminates learning.

Limitations to the scope of the audit assignment:

- Our review will be completed on a sample basis so we will not review all OOCR cases.
- Our review will not guarantee future HMICFRS inspection grades.
- Our work does not provide absolute assurance that the outcome was correct. We will not provide an opinion on appropriateness where any subjective decision is made, only that the correct process was followed to reach the decision.
- The results of our work are reliant on the quality and completeness of the information provided to us.
- Our work will not provide an absolute assurance that material errors, loss or fraud do not exist.

Debrief held	3 February 2026
Additional evidence received	13 February 2026
Draft report issued	4 March 2026
Revised draft report issued	26 May 2026
Responses received	11 June 2026
Final report issued	15 June 2026

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