



POLICE AND CRIME COMMISSIONER FOR CLEVELAND

Internal Audit Progress Report

29 June 2026

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.



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KEY MESSAGES

The internal audit plan for 2026/27 was approved by the Joint Independent Audit Committee at the 26 March 2026 meeting. This report provides an update on progress against the plan and summarises the results of our work to date.



Internal Audit Plan 2025/26

We have issued four final reports since the last meeting:

- Human Resources: Recruitment and Selection including Progression and Promotion (11.25/26);
- Out of Court Resolutions (12.25/26);
- Risk Management (14.25/26); and
- Follow Up of Previous Internal Audit Management Actions – Visit 2 (15.25/26).

A summary of the outcome of these reviews is provided in Section 1. [\[To discuss and to note\]](#)

We have also issued one report that is currently in draft:

- Failure to Prevent Fraud Review (13.25/26).

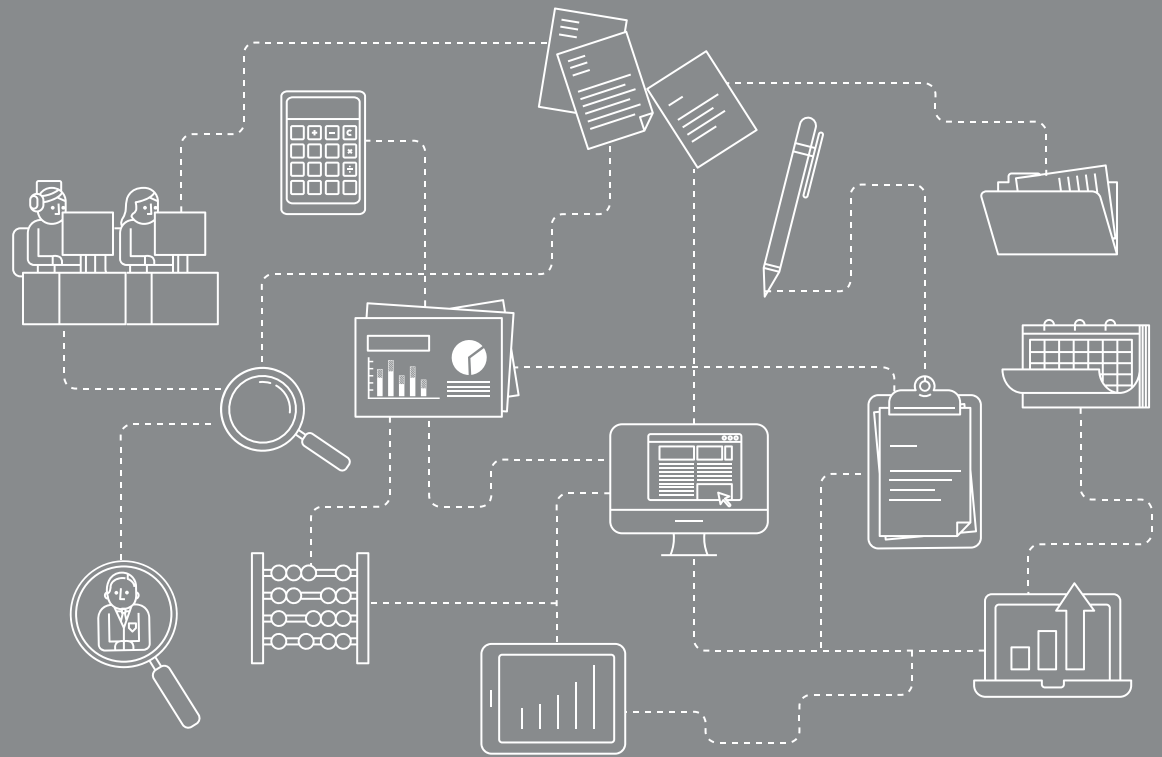
Internal Audit Plan 2026/27

There are two audits in progress. [\[To note\]](#)

Details of the progress made against the 2026/27 Internal Audit Plan are included at Appendix B. [\[To note\]](#)

Final Reports

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1 FINAL REPORTS

1.1 Summary of final reports being presented to this Committee

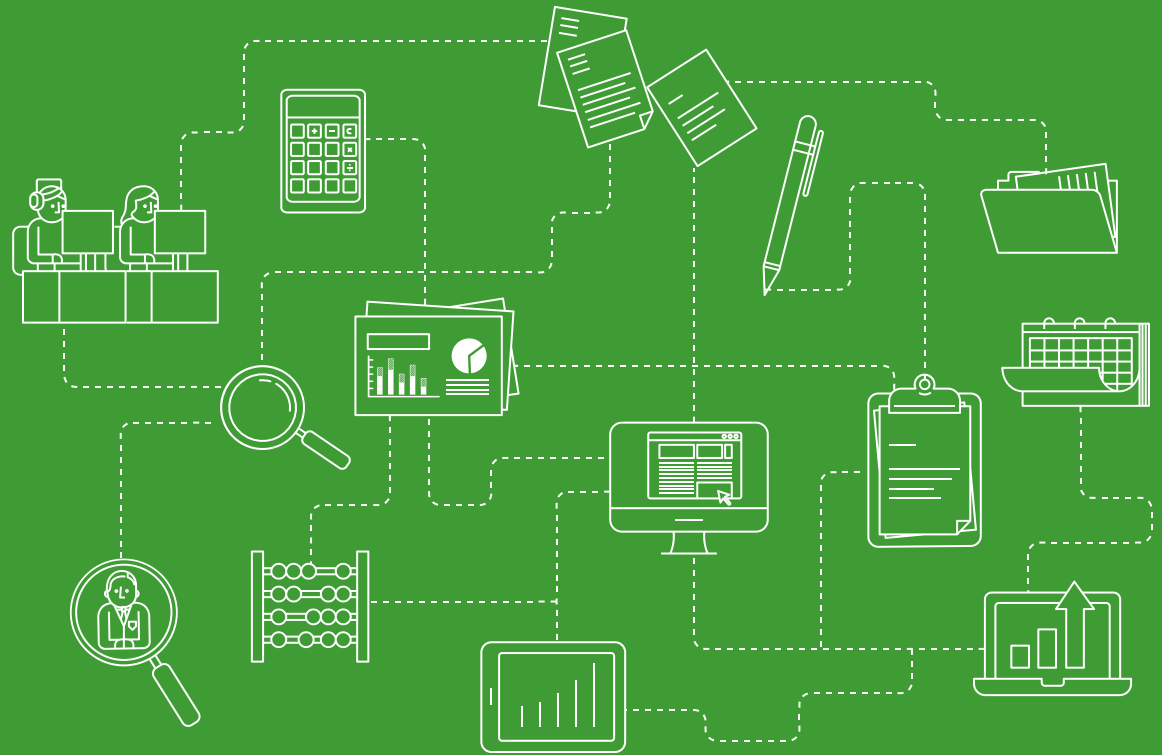
This section summarises the reports that have been finalised since the last meeting.

Assignment	Opinion issued	Actions agreed			
		A	L	M	H
Human Resources: Recruitment and Selection including Progression and Promotion					
Our review found that the Force had well designed controls within recruitment and selection. Our audit considered the end to end approach to recruitment and selection, alongside more strategic elements such as workforce planning, and in the case of all areas reviewed, we evidenced defined controls that were operating effectively to respond to the risks.	Substantial Assurance	0	0	0	0
As a result of the testing performed, no findings or areas of non-compliance were identified. Therefore, we did not agree any management actions as part of this audit.					
Risk Management					
Our review found that the Force had well designed controls within the risk management process. As a result of our testing, we identified findings which resulted in only one low priority action being agreed with management. The action was regarding gaps in recorded assurances, primarily due to the assurance recording process not yet being fully embedded following the transition to 4risk version 2, with the Risk and Insurance Manager engaging with risk owners to address this. A number of well designed controls were identified throughout the audit, and compliance testing found good levels of adherence to the controls.	Substantial Assurance	0	1	0	0
Out of Court Resolutions					
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).	Reasonable Assurance	0	0	1	1
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.					

Assignment	Opinion issued	Actions agreed			
Follow Up of Previous Internal Audit Management Actions – Visit 2					
We have undertaken a review to follow up on progress made to implement the previously agreed management actions from the following audits:					
- Firearms Licensing (4.25/26) - Vulnerability (2.25/26) - Key Financial Controls – Procurement (3.25/26) - Select Key IT Security Controls (14.23/24) - Seized Exhibits revisit (8.24/25) - HR: Wellbeing Framework - Medical Retirement (10.24/25) - Business Continuity Planning (4.24/25) - Data Quality (11.24/25)					
	Good Progress	0	1	0	0
We have considered a total of 9 actions from the above reports, comprised of four low priority, three medium priority and two high priority actions. Taking account of the issues identified in the remainder of the report and in line with our definitions set out in Appendix A, in our opinion the Force demonstrated good progress in implementing agreed management actions.					
Of the actions considered eight actions had been fully implemented and one was partly though not yet fully implemented (a medium priority action, which has been re-categorised as low given the progress made to date).					

Appendices

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APPENDIX A: PROGRESS AGAINST THE INTERNAL AUDIT PLAN 2025/26

Assignment and Executive Lead	Status / Opinion issued	Actions agreed			Target Committee meeting (as per IA plan / change controls*)	Actual Committee meeting
		L	M	H		
Key Financial Controls – Procurement	Final Report Reasonable Assurance	1	3	0	September 2025	September 2025
HMICFRS: Tracking and Monitoring	Final Report Substantial Assurance	0	0	0	September 2025	September 2025
Vulnerability	Final Report Advisory	1	3	1	September 2025	December 2025
Firearms Licensing	Final Report Reasonable Assurance	1	1	0	September 2025	December 2025
Equality and Diversity	Final Report Substantial Assurance	0	0	0	December 2025	December 2025
Financial Planning	Final Report Substantial Assurance	0	0	0	September 2025	December 2025
Follow Up Visit One	Final Report Good Progress	1	0	0	Now March 2026*	March 2026
Vetting	Final Report Reasonable Assurance	1	2	0	Now March 2026*	March 2026
Management of Assets / Licensing	Final Report Partial Assurance	2	6	0	Now March 2026*	March 2026
Fraud Arrangements	Draft - issued 16 March 2026	2	5	2	March 2026 Now September 2026*	-
Legal Litigation	Final Report Substantial Assurance	3	0	0	Now March 2026*	March 2026
Out of Court Resolutions / Prevention Orders	Final Report Reasonable Assurance	0	1	1	March 2026 June 2026	June 2026

Assignment and Executive Lead	Status / Opinion issued	Actions agreed			Target Committee meeting (as per IA plan / change controls*)	Actual Committee meeting
		L	M	H		
Risk Management	Final Report Substantial Assurance	1	0	0	March 2026 Now June 2026	June 2026
Human Resources: Recruitment and Selection including Progression and Promotion	Final Report Substantial Assurance	0	0	0	June 2026	June 2026
Contract Management	Deferred to 2026/27	-	-	-	June 2026	-
Follow Up Visit Two	Final Report Good Progress	1	0	0	June 2026	June 2026

* The timing of these audits have been changed to accommodate staff availabilities and RSM annual and study leave (we have not noted any issues with these timing changes).

APPENDIX B: PROGRESS AGAINST THE INTERNAL AUDIT PLAN 2026/27

Assignment and Executive Lead	Status / Opinion issued	Actions agreed			Target Committee meeting (as per IA plan / change controls*)	Actual Committee meeting
		L	M	H		
Police and Crime Plan	Fieldwork complete				September 2026	
Sickness Absence	w/c 22 June 2026				September 2026	
Health and Safety	Draft report issued				September 2026	
Seized Exhibits	w/c 21 September 2026				December 2026	
Key Financial Controls	w/c 27 July 2026				December 2026	
Follow Up – Visit 1	w/c 17 August 2026				December 2026	
Prevention Orders	w/c 12 October 2026				March 2027	
Overtime	w/c 9 November 2026				March 2027	
Victims' Code	w/c 7 December 2026				March 2027	
Contract Management	w/c 8 February 2027				June 2027	
Follow Up – Visit 2	w/c 15 February 2027				June 2027	

APPENDIX C: OTHER MATTERS

External Quality Assessment

RSM operates in accordance with the Global Internal Audit Standards (GIAS), which require internal audit to undertake an External Quality Assessment (EQA) at least once every five years. Our last assessment in 2021 achieved the highest rating of “generally conforms”. Our next EQA is scheduled to commence in October 2026.

Since our last EQA, the Institute of Internal Auditors (IIA) has issued new standards, effective from January 2025. The new GIAS 8.4 states that: “The chief audit executive must develop a plan for an external quality assessment and discuss the plan with the board. The external assessment must be performed at least once every five years by a qualified, independent assessor or assessment team.”

Our EQA approach aligns with the Chartered IIA guidance for multi-client providers.

- We will commission an external assessor to perform a review of the design of our internal audit methodology, and arrangements to meet the GIAS. The review will cover all 15 Principles and 52 Standards across the Domains of the GIAS, from a design perspective.
- Our EQA will review the design of our arrangements to meet the requirements of the Application Note, Global Internal Audit Standards in the UK Public Sector.
- Following the assessment, RSM will receive detailed feedback and will share a high-level conformance statement of the results with clients.

We will appoint an external independent, qualified assessor through a competitive tender process during the summer. To discuss EQAs further or our approach in more detail, please contact your Head of Internal Audit.

Further detail on our approach is available in our client briefing External Quality Assessment.

Detailed below are the changes to the audit plan:

Note	Auditable area	Reason for change
1	Contract Management	The Contract Management audit that was originally scheduled for 2025/26 was deferred to 2026/27 with agreement from management.

Head of Internal Audit Opinion 2026/27

The committee should note that the assurances given in our audit assignments are included within our Annual Assurance report. The committee should note that any negative assurance opinions or advisory reviews with significant weaknesses will need to be noted in the annual reports and may result in a qualified / negative annual opinion. We have issued no negative opinions to date. Further updates will be provided during the year.

Other assurance activity

Since the last JAC meeting, we have issued the following briefing:

- Emergency Services News Briefing June 2026
- RSM Emerging Risk Radar Spring 2026
- EQA Briefing

APPENDIX D: KEY PERFORMANCE INDICATORS – 2026/27

	Delivery				Quality		
	Target	Actual	Notes*		Target	Actual	Notes*
Audits commenced in line with original timescales*	Yes	Yes		Conformance with the Global Internal Audit Standards in the UK Public Sector	Yes	Yes	
Draft reports issued within 10 days of debrief meeting	10 days	N/A		Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit	Yes	Yes	
Management responses received within 10 days of draft report	10 days	N/A		Response time for all general enquiries for assistance	2 working days	2 working days	
Final report issued within 3 days of management response	3 days	N/A		Response for emergencies and potential fraud	1 working day	N/A	

Notes

This takes into account changes agreed by management and Audit Committee during the year. Through employing an agile or a flexible approach to our service delivery we are able to respond to your assurance needs.

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of **Police and Crime Commissioner for Cleveland**, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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