

Report of the Chief Constable to the Chair and Members of the Audit Committee 22nd September 2016

Executive & Presenting Officer: Mr Graeme Slaughter, Chief Finance Officer

Status: For information

Internal Audit and HMIC Recommendations Implementation Update

1. Purpose

- 1.1 The agreed Terms of Reference for the Audit Committee include a provision for the Audit Committee to consider "*HMIC, 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*".
- 1.2 This report provides Members with an update on progress in implementing recommendations from internal audit and Her Majesty's Inspectorate of Constabulary (HMIC).

2. Recommendations

- 2.1 That Members note the contents of the report.

3. Reasons

- 3.1 The Risk, Audit & Inspection Monitoring Board (RAIMB) has the remit for monitoring the Force's progress in implementing recommendations from internal audit and HMIC reports. The RAIMB meets on a monthly basis with scrutiny on audit and HMIC recommendations on a cyclical quarterly basis.
- 3.2 In line with the terms of reference the RAIMB is taking a strategic approach to audit and inspection activity, and as such has prioritised resources towards PEEL inspection activity.
- 3.2 HMIC
As previously reported, in February 2016 HMIC issued PEEL (Police Effectiveness Efficiency & Legitimacy) assessments for all forces. Cleveland Police was assessed as 'requires improvement', identifying 17 areas for improvement and one cause for concern. At that point it was agreed to suspend the 'business as usual' process for implementing and monitoring HMIC recommendations and drive the preparation for

improved performance in the PEEL inspection as a Force priority. This approach is focussed on assessing the Force against the HMIC question sets, providing evidence of compliance or taking remedial action and integrating into business as usual where appropriate. This is routinely monitored at Force Management Board.

- 3.4 The process of preparation and improvement described above covers many of the outstanding recommendations from previous local or national thematic inspections. These will be used as 'checklists' by the Performance Quality Review (PQR) Team to ensure implementation.
- 3.5 The first round of the PEEL inspection focussing on leadership, legitimacy and efficiency was undertaken in July with the second round focussing on effectiveness scheduled for autumn. The success of this approach will be demonstrated by an improvement in the overall PEEL assessment. Feedback from HMIC following the first round of inspection was very positive.
- 3.6 Following the autumn inspection a formal report on the status of HMIC recommendations will be provided to the December meeting of RAIMB.
- 3.7 As part of the new process for preparing for the inspections, the PQR Team undertake a 'gap analysis' against the diagnostic, and sub-diagnostic questions set by HMIC. This has proven valuable in identifying areas that need further development, or requiring further evidence to fully demonstrate our position. This was shared with the inspection team during the inspection in June, who noted they found this beneficial in aiding their understanding of the Force.
- 3.8 The Force was planning on repeating the same process in the build up to the November inspection. However, the Force received a request from HMIC on 27th July to complete a self-assessment and return to HMIC by 9th September, considerably reducing the time available to complete a detailed gap analysis. In addition, HMIC have requested that the answer to each question is no longer than 300 words. The Force has successfully requested an extension to this deadline, which is now the end of September. There is a concern that due to the gap between the submission of the gap analysis, and the date of the inspection, the position of the Force could have changed. It is hoped that an updated gap analysis can be presented to the inspection team when they arrive on site in November.
- 3.9 In addition to all the inspection activity underway, the HMIC have initiated an additional piece of work where they plan to publish on the HMIC website all recommendations given to forces since 2013, along with an update from each Force on what action has been taken against the recommendation. The Force received the request on 22nd August to provide an update against 129 recommendations, with each response being limited to 300 characters. This work was to be completed and returned to HMIC by 5th September
- 3.10 Audit
Since the last report in March the RAIMB has discharged 23 internal audit recommendations as either being fully implemented, established as part of business as usual or not accepted. A further 7 are recommended for discharge at the November meeting (shown in blue in the appendix). The ongoing

recommendations, shown in Appendix 1, will continue to be monitored at the RAIMB meetings.

4. Implications

4.1 Finance

There are no known financial implications arising from this report.

4.2

As part of the process to review HMIC reports, the Force now provides an estimate of the cost of implementing the recommendations arising from HMIC inspections. These costs will be reviewed at the RAIMB meeting.

4.3 Diversity & Equal Opportunities

There are no diversity or equal opportunities implications arising from the content of this report.

4.4 Human Rights Act

There are no Human Rights Act implications arising from the content of this report.

4.5 Sustainability

There are no sustainability implications arising from the content of this report.

4.6 Risk

There are no risk implications arising from the content of this report.

5. Conclusion

5.1

It is important that the Force responds positively and effectively to the recommendations of internal and external audit and inspection bodies to ensure continued effective delivery of the Force priorities.

5.2

A robust and effective process for taking the recommendations forward is established and working effectively. Members will continue to receive updates on progress in implementing recommendations at alternate meetings of the Audit Committee.

Graeme Slaughter
Chief Finance Officer