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Report to: Police Authority

Agenda: 13

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Subject: Annual Review of the Authority's Committee Structure and Business Cycle

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For: Discussion and Decision

1. Purpose of paper

1.1 This paper collates all the feedback received from Members, BTP and the Executive Team on how the structure and business cycle worked in 2011-12. Following a review of this feedback the paper recommends amendments for the 2012-13 business year.

2. Background

2.1 Members will recall that the Authority conducted a review of its working arrangements in 2009-10. This resulted in a new committee structure and business cycle designed to bring decision making back to the centre with narrow & clearly defined remits and shorter more focused agendas, allowing groups to focus on the detail of issues before making recommendations to the Authority. The less formal structure of the groups was also intended to stimulate discussion and debate, with all those present participating more openly.

2.2 A further objective of the new arrangements was to have a more proactive approach to evaluating and reviewing the requirements for the various standing committees and groups. Committees and groups were established with defined life spans and the understanding that on review unless material outcomes could be demonstrated they should be discontinued.

2.3 At the end of 2010/11, the first full year that the new arrangements had been in place, there was a review of the new approach to ensure the Authority was working in the most efficient and effective way. This review found that the revised committee structure and new business cycle had produced positive results and had support from all parties with a small number of revisions recommended, the more significant of these being:

- The amalgamation of the Strategy and Charging Groups and subsequent amendments to the Strategy Group terms of reference.
- The introduction of an Appointments and Remuneration Committee to replace the more narrowly focused Chief Constable's Appraisal Panel.
- The expansion of the Professional Standards Committee's terms of reference to reflect the widened remit of the Professional Standards Department.
- Following these amendments and the completion of the 2011/12 business year a further review has been conducted and this paper collates all the feedback

2.4 The report also revisits the Tribal Governance Report which was carried out at the beginning of 2010 to ensure that arrangements remain in line with recommendations. It also takes account of the more recent review of the Authority's reporting framework by the National Audit Office (NAO).

2.5 The report has been developed with input from BTP.

3. Compliance Review

3.1 The Tribal Governance Review of BTPA conducted in January 2010 was referred to when reviewing the recommendations and assurance is provided that the recommended changes do not conflict with the recommendations of this report.

3.2 The National Audit Office (NAO) Assessment of the Board Reporting Framework at BTPA was conducted in January 2011. The report was generally positive noting a significant improvement in the committee structure with improved granularity, accuracy and presentation of information. It noted, however, that there were still improvements to be made on;

- the reporting of trend information, exception reporting and analysis of contextual information to give the story behind the figures. This has progressed through the year.
- Demonstrating value for money (vfm). The NAO suggested that there should be better linkage between performance and finance information to recognise the link between human inputs and results. It was noted that some work on this had started with the work on disruption data but more could be done.
- The NAO recommended that more benchmarking work could be carried out. It noted that there was some benchmarking between BTP Areas but little against other forces. There has been general support for this

approach, but with the caveat that external comparators need to be carefully chosen for meaningful results.

3.3 In the 2011/12 business year Tribal conducted reviews of strategic budgetary control, the management assurance return, governance statement and anti-fraud and corruption policy. Each of these returned a positive outcome.

4. Information Review

4.1 BTPA has reviewed its information requirements for its committees and groups to ensure that these remain relevant and fulfil a statutory duty or best practice. The resulting spreadsheet is attached as Appendix A for information. The outcome of the review was that all items currently listed in the paper schedules and the business cycle remained relevant.

5. 2011/12 Review Feedback

5.1 This section summarises the key points raised and lists the recommendations for each Committee/Group. The revised Business Cycle incorporating changes to terms of reference is attached as Appendix B for approval.

5.2 A key point raised was the concern around overlap and duplication between committees. This was particularly with respect to capital project oversight where there had been reports to Audit Committee, Finance Group and Performance Review Group.

5.3 The review feedback clearly defined the roles in the case of capital project oversight as below:

- Finance Group to scrutinise costs, the adequacy of provisions in the Accounts and implementation.
- Audit Committee to only have involvement where a process or control issue arises.

5.4 There had also been some confusion with respect to the annual budget and MTFP processes. It was clarified that the MTFP was a matter for the Strategy Group who set the parameters. The first year of the MTFP would be the annual budget for the next financial year and the Finance Group would scrutinise annual budget submissions from BTP in accordance with their advisory role as defined in their terms of reference. The terms of reference for both of these Groups have been revisited to clarify this.

Police Authority

5.5 Feedback on the full Authority meetings was positive. The only comment was that Committee/Group reporting should be conducted in a consistent way.

Recommendations

5.6 All Committee minutes to continue to come to the full Authority with a verbal summary of the highlights to be provided by the Chair of the Committee.

5.7 Groups to provide highlight reports noting key feedback from their meetings and attaching the minutes. Group papers not to be attached to highlight reports but accessible through the Members Area of the BTPA website should Members want to review any item in further detail.

5.8 Where a Committee or Group is recommending something for approval (e.g. Policing Plan, Strategy, annual budget etc), a cover paper to the main agenda item will be prepared by the Executive Lead for the Chair of the Committee/Group to introduce the item highlighting key areas of debate and any significant risks or benefits along with the recommendation.

Appointments and Remuneration Committee

5.9 This had been the first year for the Appointments and Remuneration which had replaced the more narrowly focused Chief Constable's Appraisal Panel. Feedback on the programming of meetings was that there needed to be two a year in June and September with a further meeting around November to discuss mid-year PDR progress by exception. The key focus for the A&RC in 2012/13 would be Winsor Part 2 and the People Strategy.

Recommendations

5.10 That the programming of the meetings be amended with a meeting in June to discuss PDRs and September for police staff pay.

Audit Committee

5.11 The timing of the meetings had been adjusted in year to accommodate the whole government accounting timetable and this had not caused any issues. Papers were issued on a timely basis, the only exception being audit reports from Tribal and the National Audit Office where work on the process at both sides was required to resolve this. However, it was noted that any significant issues would be captured in the Authority Finance Director and Director of Corporate Resources update reports.

5.12 The terms of reference remained relevant with only small point of clarification recommended.

5.13 The duplication issue with respect to capital project oversight has been addressed at paragraphs 5.2 – 5.3

5.14 The Committee continued to meet its statutory requirements.

5.15 The membership of the Committee remained low and this needed to be addressed. Also from a continuity perspective two of the Members would come to the end of their membership appointments in 2013.

Recommendations

5.16 The process for internal and external audit reports to be reviewed to address the late papers issue.

5.17 The membership of the Committee to be increased.

Professional Standards Committee

5.18 The programming of meetings was working well. The number of verbal reports had reduced and the Quarterly Report had been amended to include an update section from the Head of PSD which was helpful. There had been some issues with late reports from partner police authorities who were providing Independent Custody Visitors to BTPA but this was being addressed.

5.19 There was a suggestion the terms of reference should be expanded to clarify that BTPA would deal with conduct matters at chief officer civilian equivalent grades. The role of the PSC sub-committee in conduct matters was to be reviewed. It was considered that this added a layer of bureaucracy that was not required as the Chief Executive and Chair of the PSC could fulfil the role of the appropriate authority in conduct cases.

5.20 Finally it was suggested that the role of Police and Crime Commissioners in monitoring complaints should be reviewed to see if there was anything that BTPA may like to adopt.

Recommendations

5.21 The terms of reference to be amended to include staff in the conduct role of the PSC, and the abolishment of the sub-committee in favour of the Chief and Chair of the PSC acting as the appropriate authority.

5.22 The responsibilities of Police and Crime Commissioners in this area to be reviewed for best practice.

Strategy Group

5.23 The timetable for Strategy Group had moved in year. This was the result of a variety of factors, including the commencement of the Director of Corporate Resources and work on BTP's response to the McNulty Report and how it could demonstrate its enabling role. A revised timetable is included in the amended business cycle document which is attached at Appendix B but is briefly outlined below:

- April – Meeting to discuss progress against previous year

To be made aware of any key changes or other horizon scanning matters

- July – Meeting to discuss assumptions that will feed into the MTFP

  To review the Strategic Plan and decide on the areas of focus for the September workshop

- October – To review the consultation feedback and discuss the strategy refresh

  To receive the first draft of the MTFP

- December – To receive the final draft MTFP

  To receive the draft Strategy

5.24 The terms of reference have been amended to reflect the revised timetable.

Recommendations

5.25 That Members' approve the revised Strategy Group schedule.

Finance Group

5.26 The Group felt that the programme of meetings worked well, with four quarterly review meetings and two separate meetings to discuss the annual budget and charges respectively. Information was received in a timely fashion and the programming in 2011/12 had assisted this following some tight deadlines in the previous year.

5.27 It was suggested that the terms of reference did not accurately reflect the Group's role with respect to the scrutiny and recommendation to the Authority of the annual PSA holder charges. Revised terms of reference are included in the attached Business Cycle for approval.

5.28 The duplication issue with respect to capital project oversight has been addressed at paragraphs 5.2 – 5.3

5.29 The Finance Group was continuing to develop the quarterly report from BTP and work on reserves and their link with the risk register. All statutory duties were being met. To try and minimise workload the papers mirrored internal BTP papers as far as possible.

Recommendations

5.30 The terms of reference to be revisited to ensure they accurately reflect the Group's role in scrutinising and recommending the annual PSA holder charges to the Full Authority.

5.31 To revisit the terms of reference to ensure that there was clarity on the MTFP and annual budget processes.

Performance Review Group

5.32 The programming of the meetings had worked well over the year with no amendments required. There had been improvements in the timeliness and quality of information in 2011/12. However, there were some data quality concerns which are being explored through thematic work and proposals for the oversight function of the Audit Committee to review compliance with ACPO guidance.

5.33 It was suggested that the terms of reference should be expanded to capture oversight of firearms/taser deployment and the delivery of mandatory training. Also that the purpose of the group as described should be extended to include "*supports discharging of BTPA's statutory duties*". An overlap with Audit and Finance Group on project work was captured. This has been dealt with at paragraph 5.2.

5.34 There was a suggestion of merging the Policing Plan and Performance Review Groups and options are being developed which will be discussed with the Chairs of these Groups. However, there are some concerns with respect to this approach.

5.35 The membership of the group remained low and this needed to be addressed.

5.36 It was noted that monitoring of the Strategic Plan had been challenging. The group has spent a significant amount of time working with BTP to develop a way of presenting the information that is not burdensome but is meaningful. This has now been achieved.

5.37 The Group reported that there appeared to be a gap in the oversight of HR matters and stakeholder engagement that needed addressing.

Recommendations

5.38 The introduction to the groups in the Business Cycle to be extended to include "*support discharging of BTPA's statutory duties*".

5.39 The terms of reference to be expanded to include the oversight of firearms/taser deployment and the delivery of mandatory training.

5.40 The membership of the group to be increased.

5.41 The perceived gap in the oversight of HR and stakeholder engagement matters to be explored.

Policing Plan Group

5.42 Feedback from this group was positive with only one amendment suggested. This was to agree the

communication/engagement plan at the first meeting along with terms of reference to ensure that there was no confusion.

Pensions Working Group

5.43 The Pensions Working Group was established to complete two tasks:

- Address the governance of the Fund
- Review the investment strategy and recommend a de-risked alternative

5.44 The first of these tasks has been completed whilst the second task remains ongoing. Therefore, it is recommended that the Pensions Working Group continue for the 2012/13 business year.

5.45 The Group reduced by one Member as Mr Scales resigned from the Authority in March 2012 to move overseas, as such it is further recommended that this group vacancy is filled.

6. Diversity issues

6.1 All committees and groups have a responsibility to monitor diversity information relevant to the data they receive.

6.2 Recommendations for decision to the Authority, committees and groups should include an equality impact assessment.

7. Recommendations

7.1 That the recommendations in section 5 are approved

7.2 That the amended terms of reference in the Business Cycle attached as Appendix B are approved.

7.3 That the contents of the report are noted.