

Report to: Audit and Risk Assurance Committee
Agenda item: 7.1
Date: 03 March 2016
Subject: HMIC liaison & proposed future inspection programme
Sponsor: Chief Executive
Author: Sam Elvy
For: Information and discussion

The Forum
5th Floor North
74-80 Camden Street
London NW1 0EG
T: 020 7383 0259
F: 020 7383 2655
E: general.enquiries@btpa.police.uk
www.btpa.police.uk

1. Purpose of paper

- 1.1 To update the Committee on recent discussions with Her Majesty's Inspectorate of Constabulary (HMIC) regarding inspection activities for the remainder of 2016/17 and in particular the likely cost of these inspections.

2. Background

- 2.1 The Committee will recall that HMIC's relationship with the Authority and the Force is established by section 63 the Railways and Transport Safety Act 2003. The Act identifies HMIC's statutory position as the inspectorate for the Force but does not prescribe the matters on which, nor the frequency with which HMIC, should inspect.
- 2.2 A structured process for agreeing an annual inspection plan was first developed in partnership with HMIC in 2011/12 and this has been revisited annually to enable the Authority identify and formalise costs and seek support from the Chief Officer Group about the prioritisation and sequencing of any proposed inspection activities.
- 2.3 The remainder of this paper sets out the range of issues emerging from recent discussions with HMIC.

3. HMIC's planned inspection activity in 2016/17

- 3.1 HMIC published a draft inspection programme¹ for 2016/17 on 5 February 2016, and was seeking views on those proposals by 26 February. The likely focus of activity for the year ahead is again the all-force Police Effectiveness Efficiency and Legitimacy (PEEL) programme. The likely coverage of the PEEL inspection strands is set out at Appendix A – the level of detail provided in this paper reflects that included in the HMIC consultation document.
- 3.2 PEEL inspections will again be supplemented by other in year thematic, jointly led or other inspections commissioned by the Home Secretary and/or others including local policing bodies of which the Authority is one. The consultation document also indicates that, while PEEL will remain the core focus of inspection activity, the presence of ‘thematic’ inspection activity in the overall programme of work in 2016/17 will be at least at the level carried out in the current year. The topics initially proposed as ‘thematics’ will be of particular interest to the Authority and are currently likely to include inspections on the following;
 - Crime recording – a rolling programme of unannounced visits to assess force response to the 2014 inspection on the same topic. BTP took part in that inspection.
 - Counter terrorism – the specific focus will be informed by the yet to be published final report from the 2015/16 counter terrorism ‘insights’ inspection
- 3.3 In addition, a range of jointly delivered inspections is also proposed, this will include further inspections of police custody led by HMI Prisons and an assessment of the effectiveness of the justice system at identifying and managing vulnerability and risk associated with victims of stalking and harassment.
- 3.4 HMIC has indicated that there is scope for BTPA to commission inspections from any or all of the above groups of activity.

4. Proposed inspection costs in 2016/17

- 4.1 An initial £60k (net) provision for HMIC inspection costs has been made in the Authority budget for 2016/17; this figure is consistent with the provision made in each of the last three years. As in previous years this arrangement helps to provide certainty for BTPA around expected costs,

¹ HMIC (2016) Proposed 2016/17 inspection programme and framework
<https://www.justiceinspectorates.gov.uk/hmic/wp-content/uploads/2016-17-inspection-programme-and-framework-consultation.pdf>

assist in decision making by allowing us to assess the value being delivered by individual pieces of inspection activity.

- 4.2 As set out in section 3.4 above, HMIC has indicated that BTPA may commission inspection activity from any of the areas of work set out in the draft inspection programme for 2016/17. Clearly the Authority's decision to commission inspection activity will be informed by ensuring that the overall plan;
- Fits strategically and/or addresses some other area of identified business risk
 - Delivers value
 - Is affordable
 - Is achievable – i.e. can be serviced by BTP

- 4.3 HMIC has recently indicated that **BTP's full inclusion in the PEEL programme (only) is likely to cost in the order of £100k (net) in 2016/17**. At time of writing the only information we had been able to secure from HMIC about the construction of that cost was as follows;

The increase to two inspections per year is reflected in the uplift in costs to £100,000. In broad terms the costing for the Spring and Autumn inspections include:

- *The development of bespoke methodologies and questions sets to meet the needs of BTP (an approximate total of 75 days per 12 month period).*
- *Force insight activity, report writing and ancillary activity (included in the above).*
- *The briefing, deployment and debriefing of an inspection team, comprising of 5 team members plus team leader, for a total of 7 days per inspection (a total of 60 staff days).*
- *Analytical support work.*

- 4.4 HMIC is not able to break down the costs of individual activities within the PEEL programme at this time but could work with us to estimate how much PEEL (or other) activity we could buy within the current £60k budget². HMIC has indicated that additional thematic inspection activity would be charged in addition to the proposed PEEL cost set out above. Until the full details of the HMIC plan for 2016/17 are published we will not be able to identify which parts are most relevant and useful in supporting the Authority's oversight duties.

² Members should note that without full inclusion in PEEL, BTP would not receive a PEEL grading as is provided for other forces. In reality this may not be achievable in any event depending on the focus of each year's inspection activity and the extent to which BTP can be assessed on those topics i.e. effectiveness of roads policing capability.

- 4.5 Once we have agreed with HMIC the activity to be delivered within our budget, if all agreed inspection activity is not delivered the fee will be reduced accordingly and if additional work is required in year this can be commissioned in partnership with HMIC and a cost for each activity calculated. Wherever possible, HMIC helps us to identify ways in which we can engage in the inspection process which minimises additional costs of ‘bespoking’ inspection activity but which enables us to explore the issues which are most relevant to us.

5. Emerging options

- 5.1 Five possible options are starting to emerge from discussions for inspections of BTP in 2016/17; the recommended option has been identified.

Options	Benefits	Risks
‘Do nothing’ engage in no inspection activity	Cost saving of £60k based on current HMIC budget provision plus time and cost saved servicing those inspections	Not legally compliant – HMIC’s statutory ability to inspect remains HMIC may then propose inspect (and charge for) on the topics it deems to be most important Without independent inspection activity there is a key risk issues may be missed – commissioning others to audit will incur cost
Engage in bespoke PEEL only	Can be delivered within £60k budget Allows the Authority and Force to invest in the most relevant areas of PEEL inspection activity within the available budget	BTP will not receive an overall PEEL grading (but will receive independent evidence from HMIC of ‘performance’ in key areas of the business) There will be no independent evidence from HMIC on other thematic topics covered in year
[Recommended] Engage in bespoke PEEL and selected thematic activities	Can be delivered within £60k budget Allows the Authority and Force to invest in the most relevant areas of all inspection activity within the available budget	BTP will not receive an overall PEEL grading (but will receive independent evidence from HMIC of ‘performance’ in key areas of the business)
Engage in full PEEL programme	Gives BTP the best chance of receiving a PEEL grading to allow comparison with Home Office forces (if deemed to be important)	Will not be affordable in terms of budget provision Will almost certainly not enable the Authority to buy into the thematic inspections on crime recording and counter terrorism
Engage in full PEEL programme + selected thematic	Gives BTP the best chance of receiving a PEEL grading to allow comparison with Home Office forces (if deemed to be important) AND the greatest overall coverage from all inspection activity	Will not be affordable in terms of budget provision

6. Recommendations

- 6.1 That Members review and discuss progress to date and provide a steer on the preferred direction of travel for the 2016/17 inspection plan in upcoming discussions with HMIC.

Appendix A – Summary of HMIC PEEL proposals for 2016/17

Inspection Title	Description
	<p>PEEL is the programme in which HMIC draws together evidence from its annual all-force inspections (which began in 2014/15). The proposed PEEL 2016/17 assessments is again structured around the three themes of effectiveness, efficiency and legitimacy. The following is an extract from the draft HMIC inspection plan for 2016/17 (<i>text in italics is supplementary info provided by HMIC direct to the Authority</i>)</p> <p>Spring 2016 inspection will inspect on the efficiency, legitimacy, and leadership of forces</p> <p>How efficient is the force is at keeping people safe and reducing crime?</p> <ul style="list-style-type: none"> • <i>How well does the force understand its current and future demand? - Quite simply, does the force understand the current demand and are you able to demonstrate a process that enables the force to predict future demand?</i> • <i>How well does the force use its resources to manage current demand? - How does it prioritise the use of its resources, is it seeking to continually improve efficiency , are efficiencies monitored for impact, how well does the force work with others to improve efficiency? And finally,</i> • <i>How well is the force planning for the demand in the future?- How well does the force identify and prioritise areas to invest in for the future, how well does the force plan its investments, and to what extent does the force fund its investments in a way that is sustainable?</i> <p>In relation to the legitimacy element, HMIC will inspect how well the force treats people when working to keep people safe and reduce crime?</p> <ul style="list-style-type: none"> • <i>Does the force treat its workforce with fairness and respect? Does the force understand and respond to workforce’s perceptions of fair and respectful treatment? Does it actively support the health and wellbeing of its staff? How does it manage individual performance?</i> • <i>How well does the force ensure that its workforce behaves in a way that is ethical and lawful? -How well does the force develop and maintain an ethical culture? How well does the force identify, monitor and manage risks to the integrity of the organisation?</i> • <i>To what extent does the force treat all of the people it serves with fairness and respect? - Does the force understand the importance of treating the people it serves with fairness and respect? How well does it identify those issues and areas that have the greatest negative impact on the public’s perceptions of fair and respectful treatment? Does it act on this information?</i> <p>Inspection in relation to leadership will be an assessment of how well led forces are at every rank and grade, with a focus on the organisational structures that help each force to understand and develop leadership skills across the whole force?</p> <ul style="list-style-type: none"> • <i>How well led is the force? What is expected of the forces leaders, is this understood by the workforce. Does the force understand the relative strengths and effects of its current leadership?</i> • <i>How well does the force develop leadership?- How does the force develop its leadership capability?</i>

Inspection Title	Description
	<p data-bbox="293 342 1126 376"><i>How well does the force identify and develop potential senior leaders?</i></p> <ul data-bbox="245 409 1528 501" style="list-style-type: none"><li data-bbox="245 409 1528 501">• <i>How well does the force display leadership? - Is the force encouraging innovation and implementing new ideas, approaches and working practices? How does the force develop diverse leadership teams in terms of experience, background and skills?</i> <p data-bbox="197 591 1007 624">Autumn 2016 inspection will inspect on the effectiveness of forces.</p> <ul data-bbox="245 651 1528 949" style="list-style-type: none"><li data-bbox="245 651 1528 712">• crime prevention and neighbourhood policing – how effective the force is at preventing crime, anti-social behaviour and keeping people safe;<li data-bbox="245 741 1342 775">• investigations – how effective the force is at investigating crime and managing offenders;<li data-bbox="245 804 1433 864">• vulnerability – how effective the force is at protecting from harm those who are vulnerable and in supporting victims; and<li data-bbox="245 893 1417 954">• strategic policing requirement (SPR) – how effective the force is at meeting its national policing responsibilities (for example, in 2015 we focused on serious and organised crime).

Not protectively marked

Not protectively marked