



CHIEF CONSTABLE OF STAFFORDSHIRE

Governance

Internal audit report 13.21/22

Final

20 May 2022

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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.

1. EXECUTIVE SUMMARY

Why we completed this audit

An audit of Governance was undertaken at the Force as part of the approved internal audit plan for 2021/22 in order to allow the Chief Constable of Staffordshire to take assurance that a clear and effective governance structure is in place which provides the Force with oversight of operational areas whilst minimising duplication of effort. The Force governance arrangements have recently been revised in February 2022 following the appointment of a new Chief Constable. The revised governance structure can be found in Appendix A. Under the revised structure, there are now the following three key Boards which feed into the Executive Management Board:

- Performance Board;
- Projects Board; and
- People Board.

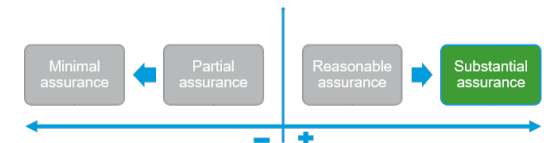
Conclusion

Our review has confirmed that the Force has well-designed controls in place for the governance structure. We noted that a Terms of Reference (ToR) template is used for each forum and that the ToR's clearly define the purpose and duties. All meetings were found to have followed the prescribed structure and processes as per the ToR's.

Through review of meeting documentation we confirmed that key matters and the relevant risk, financial and performance matters relating to them were discussed and documented. Any arising actions were clearly documented for continuity, with set action owners and completion dates being allocated as necessary. We have confirmed that a consistent approach is in place for the newly revised governance structure and that key elements including risk, escalation and action tracking have been incorporated within the framework.

Internal audit opinion:

Taking account of the issues identified, the Chief Constable of Staffordshire can take substantial assurance that the controls upon which the organisation relies to manage the identified area are suitably designed, consistently applied and operating effectively.



Key findings

We identified the following key findings:



ToR have been established and approved for all forums listed in Appendix A that are chaired by the SCO. A standard ToR template was used for each forum and contained the following key information: purpose; objectives and key activities; strategic boards governance; meeting arrangements; decision making protocol; exceptions, escalation and delegation; and agenda items.



Our review of minutes and agendas from all meetings which have taken place for each forum confirmed that the ToR were fulfilled and did not duplicate the roles assigned to other forums. The information being cascaded was found to include key risk, financial and performance information for the relevant matters being discussed at each meeting.



A Governance Structure (Appendix A) has been produced following the revision of the governance arrangements. This document sets out the flow of communication and information from the various levels within the Force through to the Executive Management Board which is chaired by the Chief Constable.



The delegation of authority is outlined in the ToR for each forum, stating where issues are escalated for each forum and whether the forum can receive agenda items from other forums. This was not tested at the time of review due to no escalations being present for the small number of meetings which had taken place since the new structure was implemented.

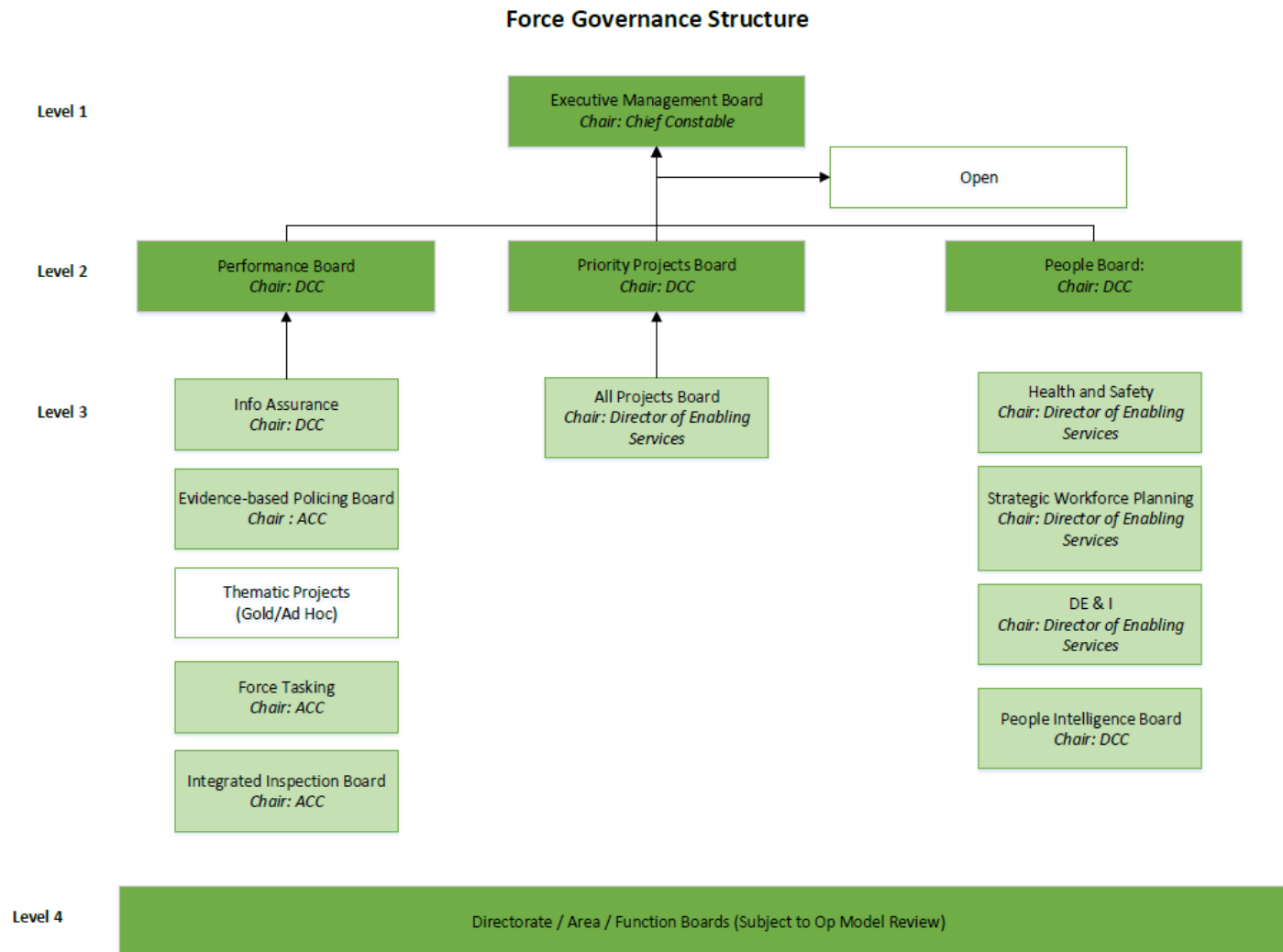


Our review of meetings from each forum confirmed that an action log is used for all, which outlines the meeting date, action detail and set completion dates where appropriate, as well as responsible owner(s). Actions are updated as they are reviewed at subsequent meetings.

We have not identified any exceptions from our review that have led to the agreement of any management actions. We have not therefore incorporated a detailed findings and management action plan section below within the report.

APPENDIX A: GOVERNANCE STRUCTURE

We have include below a copy of the Force's governance internal control structure as of February 2022.



APPENDIX C: CATEGORISATION OF FINDINGS

Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
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
Governance arrangements	0	(6)	0	(6)	0	0	0
Total					0	0	0

* 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 D: 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 risks:

Objective of the risk under review

There is a sufficient governance structure to enable the organisations to meet their objectives and their responsibilities.

When planning the audit, the following areas for consideration and limitations were agreed:

- Terms of Reference have been established and approved for Boards and Groups that clearly sets out its roles, responsibilities, meeting frequency and quoracy.
- Each forum demonstrates from its activities that it fulfils its terms of reference and does not duplicate the roles assigned to other groups.
- There are clear reporting processes and lines of accountability for each board and group to ensure the effective escalation of issues and risks, clear decision making and avoidance of duplication.
- The delegation of authority throughout the structure.
- The appropriateness and transparency of data reported through the structure, including whether information presented was suitable for it to fulfil its remit within the Terms of Reference. This includes risk, performance and financial reporting.
- Where issues have been identified within minutes and reports, these have been logged within action notes, followed up and escalated to senior forums.
- Review of decisions in the current financial year and the process that they followed, including whether decisions made have been clear and transparent, and those present at meetings have a delegated authority to make those decisions.
- Delegated authority for approval decision making, confirming that this has happened in practice and the transparency of this.

Limitations to the scope of the audit assignment:

- Any testing undertaken as part of this audit will be compliance based and sample testing only.
- We will not provide an opinion on whether the governance structure adopted is the most appropriate.
- We will not provide assurance that the structure will allow it to achieve its objectives.
- Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.
- Due to COVID-19 our work will be completed remotely and solely based on the evidence provided and the communications held remotely.
- The results of our work are reliant on the quality and completeness of the information provided to us.
- Testing will be undertaken on a sample basis only and therefore we will not provide assurance that procedures are followed at all times across the whole organisation.

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

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