



Office of the  
Police and Crime  
Commissioner  
for Warwickshire



Warwickshire  
**POLICE**

# **Joint Annual Governance Statement 2020-21**

## **Warwickshire Police and Crime Commissioner and Warwickshire Police**

### **1. Introduction**

This 'Annual Governance Statement 2020-21' is a regulatory requirement and has been produced this year as a joint document which explains how the Chief Constable of Warwickshire Police (WP) and the Warwickshire Police and Crime Commissioner (PCC) have complied with their published joint corporate governance framework for the year ended 31 March 2021, including plans for the financial year 2021-22.

### **2. Scope**

Following the introduction of the Police Reform and Social Responsibility Act 2011 (the 2011 Act), the PCC and Chief Constable were established on 22 November 2012 as separate legal entities ('corporations sole') which means they are both entitled to own assets and employ staff. However, the 2011 Act gives PCCs responsibility for the totality of policing within their force area and requires them to hold their force Chief Constable to account for the operational delivery of policing.

## OFFICIAL

Under the 2011 Act, the PCC is the recipient of all funding, including government grant, precept and other sources of income related to policing and crime reduction, and all force funding must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, who provides professional advice and recommendations to the PCC. However, the PCC is ultimately accountable to the public for the management of the Police Fund.

The PCC is responsible for ensuring his business is conducted in accordance with the law and proper standards of governance and, consequently, that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively in the discharge of his statutory duties and powers.

Both the PCC and Chief Constable are required to, and have, appointed chief financial officers who each have a fiduciary duty to the local taxpayer for securing the efficient use of public funds. Under the Local Government Act 1999 the PCC makes arrangements to secure continuous improvement in the way his functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the PCC is responsible for putting in place proper arrangements for the governance of his affairs and facilitating the exercise of his functions, which includes ensuring a sound system of internal control is maintained and that arrangements are in place for the management of risk. In exercising this responsibility, the PCC places reliance on the Chief Constable to support the governance and risk management processes.

The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, his police officers and staff remain operationally independent in the service of the public. In discharging his overall responsibilities, the Chief Constable is responsible for establishing and maintaining appropriate risk management processes, governance arrangements and ensuring that there is a sound system of internal control which facilitates the effective exercise of these functions.

The Policing Protocol Order 2011 requires both the PCC and Chief Constable to abide by the seven principles of personal conduct set out in 'Standards in Public Life: First Report of the Committee on Standards in Public Life' (commonly known as the 'Nolan Principles'), i.e. 'Selflessness', 'Integrity', 'Objectivity', 'Accountability', 'Openness', 'Honesty' and 'Leadership'.

The PCC and Chief constable share a joint corporate governance framework, which is reviewed annually and sets out how governance operates. This code is consistent with the principles of the CIPFA/SOLACE guidance 'Delivering Good Governance in Local Government'.

<http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

## OFFICIAL

The framework consists of: -

- **Statement of Corporate Governance.** Outlining the statutory framework and local policy,
- **Code of Corporate Governance.** Setting out how the core principles will be implemented,
- **Scheme of Corporate Governance.** Defining the parameters within which the organisations will conduct their business, scheme of delegations etc,
- **Policy and Procedures.** Separate for each corporation sole, with protocols where they operate jointly.
- **Cooperative Arrangements.** Those arrangements by which the PCC and the Warwickshire Chief Constable support the exercise of each others' functions.

This statement explains how the PCC and Chief Constable has complied with the code and also meets the requirements of 'Regulation 6 of the Accounts and Audit 2015 (England) Regulations' in relation to the publication of a statement on the effectiveness of the system of internal control.

### 3. The Governance Framework

Governance comprises of the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The fundamental function of good governance in the public sector is to ensure that entities (meaning the PCC and Chief Constable) achieve their intended outcomes whilst acting in the public interest at all times. The governance framework comprises the systems and processes, together with culture and values by which the PCC and Chief Constable directs and controls the activities for which they are accountable, including engagement with communities. It enables the PCC to monitor the achievement of his strategic objectives and to consider whether these objectives have led to the delivery of appropriate cost effective services, including achieving value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives in order to evaluate the likelihood of those risks being realised and the impact should they be realised. This process enables them to be effectively, efficiently and economically managed.

The Chartered Institute for Public Finance and Accountancy (CIPFA) 'Delivering Good Governance Framework for Public Services 2016' sets out seven good governance core principles. The governance arrangements that have been put in place for the PCC / OPCC and how they adhere to these principles are set out below: -

### **3.1 Principle A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

The Police Reform and Social Responsibility Act<sup>1</sup> sets out the functions of the PCC and Chief Constable. The Act requires the PCC to have a Chief Executive and Chief Finance Officer<sup>2</sup> (the Treasurer). The PCC and the Chief constable have developed and approved a 'Joint Corporate Governance Framework' which clarifies the working relationship between the PCC, Chief Constable and their respective staff. This includes the code of corporate governance, the scheme of delegation and financial regulations. The framework is informed by the requirements of 'The Good Governance Standard for Public Services'<sup>3</sup> and the Policing Protocol 2011, and is consistent with the seven Nolan principles of standards in public life. Additionally, the 'Police Code of Ethics'<sup>4</sup> combines these values with others enshrined in policing, and sets and provides a framework for upholding high standards of conduct and behaviour which applies both on and off duty. It guides behaviour within the organisation as much as it informs how to deal with those outside.

On his election, the PCC signed a code of conduct based on the principles referred to above. This document has been published on the OPCC website along with the register of interest of the PCC, together with the protocol for managing conflicts between the leader of Warwickshire County Council and the Warwickshire PCC.

The force have adopted a new Fit for the Future strategy, alongside the vision of protecting people from harm. The key values are public service, impartiality, integrity and transparency. As part of this strategy and the long running knowing the line campaign, the force highlights and addresses issues of culture, tone and style across the force and centres on building an organisation where all are treated with dignity and respect. Knowing the line specifically aims to eradicate sexual harassment and inappropriate behaviour from policing, encouraging officers and staff to challenge and report behaviours that makes colleagues feel uncomfortable, intimidated, embarrassed or uncomfortable with.

Measures are in place to ensure that the PCC, and employees of the Office of the PCC (OPCC) and Warwickshire Police are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. These measures include policies on Anti-Fraud, Bribery and Corruption, business interests, notifiable and vulnerable associations and guidance on the acceptance of gifts, loans and hospitality. Notifications of disclosable interests and a register of gifts and hospitality are published on the PCC's and the Force website.

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<sup>1</sup> PRSRA11, S5 – 8

<sup>2</sup> PRSRA11 Sch1 p6

<sup>3</sup> Standards in Public Life 2005. As amended by the 14<sup>th</sup> Report of the Committee on Standards in Public Life: Selflessness; Integrity

<sup>4</sup> Code of Ethics (College of Policing 2014)

## OFFICIAL

The PCC and Chief Constable have a Joint Audit and Standards Committee (JASC) that meets at least 4 times a year and has continued to do so remotely during the pandemic. They receive reports and also private briefings on a number of specific areas. Members of the Committee are allocated dedicated areas of work to maximise their coverage by working closely with key staff, often meeting outside of the formal meetings to monitor progress and seek assurance. Dip-sampling of complaints made against the police that are subject to investigation by the Professional Standards Department (PSD) is usually undertaken by a Committee member, and is supported by the OPCC Development and Police Lead, with formal reports taken to the Committee of any results. This work has been stifled during the pandemic, but the committee member has joined the internal ethics board that met for the first time in October 2020 and discusses ethical dilemmas and is chaired externally by a representative from the University of Warwick. It is envisaged that dip sampling of complaints will be undertaken as soon as Covid restrictions allow. The Committee is well attended by staff and officers from the force and OPCC. Their agreed work programme, which is on the agenda of each meeting, seeks to ensure that the force and OPCC embrace the highest levels of integrity and ethical standards of behaviour. It is a public meeting, is often attended by the Chair of the Police and Crime Panel and copies of papers are published on the website.

The PCC and Chief Constable have transparent and accessible arrangements in place for dealing with complaints received from members of the public, and reviews of the complaints process and findings are reported to the Joint Audit and Standards Committee, and actions implemented based on the findings. From 1 February 2020, PCCs had a new stronger role in the complaints system. This followed extensive consultation and work by the Home Office and the IOPC. The reforms included a move towards a more reflective practice focusing on learning outcomes for both the individual officers, staff and the Force. The OPCC are responsible for reviews of police complaints, which are delegated to a Complaints Appeal Manager post shared OPCC's. This new way has seen 36 complaints being reviewed since February 2020 and March 2021 and this workload and process is being continually monitored to ensure that it ensures greater clarity, less bureaucracy, improved governance and more flexibility in dealing with complaints to provide increased public satisfaction and assurance on complaints handling.

The force has a Professional Standards Department (PSD) whose role is to uphold the ethical and professional standards of Warwickshire Police by managing the application of police misconduct regulations, and the administration of complaints by members of the public against police officers and police staff below the rank of Chief Constable. Any complaints against the Chief Constable are dealt with by the PCC. The independent Warwickshire Police and Crime Panel (PCP) deals with any formal complaints made against the PCC. Warwickshire Police employs a vetting team, within professional standards to ensure compliance with vetting standards, and is also the lead force for providing a national contractor vetting service.

The PCC and Chief constable both have respect for the rule of law and comply with all relevant laws and regulations. To ensure that they do not breach their legal powers intentionally or inadvertently they both appoint legal advisors to provide

assurance and guidance upon lawful decision making. The PCC is independent of Force management and operational decision-making, which is the responsibility of the Chief Constable, and established mechanisms and guidance are in place to ensure that the PCC and Chief Constable do not breach or misuse their legal and regulatory powers. The PCC is subject to the PCC's Code of Conduct and Oath of Office, and the Chief Constable (and all other individuals who work in policing) are subject to the College of Policing's Code of Ethics, both of which are consistent with the Nolan principles. The Chief Executive of the OPCC is also the designated statutory Monitoring Officer, with responsibility for advising on the legality and appropriateness of the PCC's actions and decisions.

The PCC and Chief Constable create the environment for all members of the OPCC and Force to be able to discharge their responsibilities in accordance with good practice. Any guidance originating from the key partners and bodies including the College of Policing and NPCC is disseminated Force-wide either by the in house learning and development team, or other relevant stakeholders. Similarly, best practice for PCCs is obtained via the Association of Police and Crime Commissioners (APCC), Association of Policing and Crime Chief Executives (APAC2E) and Police and Crime Commissioners' Treasurers Society (PACCTS), and is disseminated amongst the OPCC staff.

### **3.2 Principle B. Ensuring openness and comprehensive stakeholder engagement**

The protocol<sup>5</sup> highlights that the PCC is accountable to local people and draws on this mandate to set and shape the strategic objectives for the force area in consultation with the Chief Constable. He must have regard to the views of the public as well as the priorities of the authorities within Warwickshire and relevant government bodies before issuing a Police and Crime Plan.

The PCC's Police and Crime Plan 2016-2021 sets out what the strategic direction and priorities are and how they will be delivered. The Warwickshire Plan was published in December 2016 following a two phase public and stakeholder consultation, well within the timeframe for publishing such a plan, i.e. before the end of the financial year in which the PCC is elected. The Plan was refreshed during 2020-21 through the inclusion of an addendum to cover the extended PCC term, as a result of Covid to ensure it remained relevant and fit for purpose. In doing so the PCC is helping to make sure that local policing services address the priorities of local communities and that the force is being held to account for the way services are delivered to the public. The Plan addresses issues on the strategic policing requirement issued by the Home Secretary and is developed with the Chief Constable, informed by the views of the public, victims of crime and the priorities of other key stakeholders. In addition to this public consultation, the PCC has also widely consulted on the Precepts for 2020-21 and 2021-22 and reported the outcome of those consultations to the Police and Crime Panel for their information and scrutiny, before setting the precepts each year. The Panel meets regularly to

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<sup>5</sup> Policing Protocol Order 2011, art14

## OFFICIAL

review and scrutinise the decisions and actions of the PCC and his performance in delivering the objectives contained in his Police and Crime Plan, Annual Report and any proposed appointments to key roles. Two separate working groups also meet regularly to specifically deal with issues around performance monitoring and finance.

The Corporate Governance framework, and associated documentation defines the parameters for decision making, including delegations, financial regulations and contract regulations. The PCC publishes all formal and significant decisions in accordance with this framework on his website.

The PCC proactively publishes information to maintain openness and transparency with the public on the website which helps to ensure that he meets the obligations under the Elected Local Policing Bodies (specified information) order 2011 (as amended) and requirement under the Freedom of Information Act 2000. The PCC also published his 2019-20 Annual Report during the year, outlining his main achievements during the year, including some operational and financial performance details and progress made in delivering the Police and Crime Plan, and this is reviewed annually by the Panel. A similar report will be published shortly in respect of the 2020-21 financial year.

A 'Consultation and Engagement Strategy' has been published and will be reviewed in line with the new Police and Crime Plan. This sets out how local people will be involved with the PCC and the Chief Constable to ensure that they are part of the decision making, accountability and the future direction of police and crime matters in Warwickshire. Social media is used extensively by the OPCC and force to engage with the public, to run campaigns, and to promote various public consultations run by the force and PCC. This sits alongside more traditional methods of engagement, which has moved to more electronic means during the course of the pandemic to ensure that Covid restrictions are adhered to. Face to face engagement at various local and national levels has been stifled by the pandemic, but technology has been used to ensure that such activity continues despite the challenges. This has ensured that two way communication channels continue to exist which serve to inform the PCC of public concerns on local policing and crime matters of importance, and for him to brief local groups, partners, organisations and key stakeholders on activities that have been undertaken.

The PCC and Chief Constable attend various Local Authority meetings across Warwickshire and provide formal briefings to local MPs on topical policing matters and the precept. This engagement has been particularly evident during the course of the pandemic with local agencies working together on a joined up local response to the pandemic. The PCC also works with and part funds the four Community Safety partnerships across Warwickshire and has commissioned services to deliver many key services to victims, drugs and substance misuse services, and sexual abuse and exploitation services. Such activities are aligned to the PCC's strategic objectives as set out in the Police and Crime Plan, and help in their delivery in addition to supporting other partners in achieving their local priorities too. The PCC and force are both represented on the Local Criminal Justice Board which meets regularly to consider and discuss the performance of the local criminal justice system and any

issues or initiatives being addressed individually or collectively by the criminal justice agencies.

The Chief Constable has a statutory responsibility for making arrangements for obtaining the views of the public within each neighbourhood about crime and disorder in their locality. Force engagement with the public takes place on many levels, from daily street contact and phone calls through to attendance at public meetings and formal surveys in relation to service priorities, levels and quality. Parish Council meetings, along with other community forums and local meetings have been established across the force area and are active partnerships between the public, statutory and voluntary agencies, partners and policing teams. The safer neighbourhood approach is central to policing in Warwickshire, and there are 32 safer neighbourhood teams (SNT's) throughout the force area. These teams include police officers, PCSO's, Special constables and other volunteers to help keep communities safe. Each SNT holds meetings at which issues and problems identified by the local community are discussed. All contact details are published on the website, along with crime data. The SNT's also use social media widely having their own twitter feeds and facebook pages, to maximise the engagement potential with their communities.

The force also undertakes a number of user satisfaction surveys, predominantly with victims of certain crime types including domestic burglary victims, violent crime, vehicle crime, hate crime and domestic abuse crime. Warwickshire outsources these surveys to a third party specialist, the process was temporarily stalled during the pandemic but has been re-established since June 2020.

### **3.3 Principle C. Defining outcomes in terms of sustainable economic, social and environmental benefits**

The PCC's Police and Crime Plan outlines the police and crime objectives (outcomes) and the strategic direction for the policing of the Force area.

The Chief Constable launched his Fit for the Future strategy in 2020 which sets out an ambitious agenda for the force up to 2025 and builds on the significant transformational programme of work we have undertaken over the past two years to establish a standalone force. The strategy is built around 3 main themes – Effective and Efficient, Prevent and Protect and Respond and Reassure. These themes set out the strategic direction of the force, along with its purpose and priorities, taking account of the PCC's Police and Crime Plan and the Home Secretary's Strategic Policing requirement.

The fit for the future strategy reflects a commitment towards achieving a greener more sustainable force, recognising that their activities both operational and non-operational have an impact on the natural environment for the communities of Warwickshire. The force has established a Sustainability Board dedicated to looking at this area and will work in accordance of the remit of the Estate review work to achieve and improve environmental sustainability in the way it uses its assets. The PCC has a duty to ensure value for money through purchasing, contracts and the



## OFFICIAL

wider commissioning of services. Every effort is taken to secure value for money whilst improving or minimising the impact on the environment. However, it is recognised that in some areas of compliance with legislation and/or to achieve higher standards, or to improve environmental impacts, this might increase costs or require specific one-off investment.

The PCC and Chief Constable are both committed to the identification and consideration of collaborative opportunities, recognising the increased capacity and resilience along with the access to specialist services that such working can bring. The force has continued to work collaboratively for transactional services, forensics and ICT over the last twelve months with West Mercia. It has formed new collaborative working practices with West Midlands Police for dog kennelling services and has signed a new agreement with them in March 2021 to deliver forensics services from September 2021 onwards when the current arrangements with West Mercia cease. Such collaborative working will always support the attainment of the Police and Crime Plan objectives, will build resilience, capability and capacity to deliver improved services, will enable longer-term operational effectiveness and economy through greater interoperability, integration and will help to achieve improved value for money through economies of scale, increased efficiency, greater effectiveness or improved potential for sustainable delivery. Warwickshire police continues to collaborate regionally to combat national threats identified in the strategic Policing requirement, and to threats from serious and organised crime. The Regional organised crime unit (ROCU) for the West Midlands forms a critical part of the national and local response to disrupting organised crime groups.

A 'Medium Term Financial Plan' (MTFP) has been developed to support delivery of the Police and Crime Plan 2016-2021 and ensure that the plans are financially sustainable. It now covers an extended five year period to demonstrate resilience, and has been approved by the Commissioner. It is based on a number of assumptions and is monitored closely throughout the year and reviewed and updated formerly as part of the annual budget setting process. It includes a savings plan, requiring the force to plan effectively to achieve these savings through its ongoing transformation programme.

Risk is managed through a governance framework at a local and strategic level to manage and mitigate threats to service delivery. Strategic risk is managed and recorded by the force and OPCC separately, and is reported to each JASC meeting.

The force and PCC both have a duty to consider the wider impact of equality of proposed change to policies, procedures and practises. Equality impact assessments are routinely carried out in the force and at the OPCC, but are particularly evident around the current change and transformation programmes to assess impact internally and externally for staff, stakeholders and the public.

### **3.4 Principle D. Determining the interventions necessary to optimise the achievement of the intended outcomes**

The Police and Crime Plan sets out the strategic policing and crime reduction priorities and key aims, and how these will be delivered over the tenure of office.

The force's performance management framework reflects the Police and Crime Plan and monthly and quarterly performance reports are produced which enable both the PCC and Chief Constable to assess and scrutinise force performance. The quarterly performance report is published on the OPCC website.

The Force's Director of Finance maintains the MTFP in conjunction with the Treasurer, which integrates the force business plans. It is refreshed annually and scenario planning is undertaken as part of the budget setting process. The PCC undertakes a budget and precept consultation exercise to help him formulate his precept proposal. The Police and Crime Panel review and scrutinise the PCC's proposed council tax precept increase and make recommendations to the PCC, to which he is required to respond, before he sets the budget and precept. Formal budget monitoring is undertaken throughout the year and is discussed internally at the at the regular Force Governance Board meetings with the Chief Constable and key stakeholders. The Panel receive a financial update at each of their meetings and the finance working group also scrutinise and challenge the budget monitoring reports, at their more focussed quarterly meetings requesting additional information as necessary.

The transformation programme is governed by the Change Board, which coordinates activity and prioritises work, assessing them against the strategic objectives, capacity and financial capability. During 2020-21 services have continued to transition out of the former alliance, however, forensics and transactional services continue to be hosted by West Mercia and ICT services shared between the two forces. Forensics service will move to a collaborated service with West Midlands from the 1 September 2021, following the signing of the new agreement in March 2021. Transactional services are due to cease through the hosted service from the 1st October 2021, and transition of ICT services to the Warwickshire network will also take place at this point, although some applications will remain shared with West Mercia beyond this date.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures, management supervision and a system of delegation and accountability. Both have agreed the strategic aim of setting balanced revenue budgets for day to day policing costs by 2021-22. To achieve this, work to identify £4m of savings was undertaken in 2020-21, and these were duly delivered by the 1 April 2021, extinguishing the need to finance any ongoing day to day costs from reserves as part of the 2020-21 approved budget. The force provides national contractor vetting through a more commercialised service and this provides income which underpins the annual budget. Despite these issues, the MTFP identifies the need for a further

## OFFICIAL

£1.5m of savings over its term, based on the assumptions, and this will remain a key strategic risk for the force and PCC. However, reserve levels remain healthy and provide resilience against any fluctuation in funding and for specific and known risks.

The PCC and Chief Constable have Risk Management Strategies in place, and hold separate risk registers to manage their key risks. The risk registers are reported to the respective Chief Officer teams and are regularly reviewed by the Joint Audit and Standards Committee for scrutiny and comment. Financial, governance related and operational risks are a feature of both registers.

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) provides an annual independent thematic inspection and assessment of the force's performance in terms of its effectiveness, efficiency and legitimacy. The most recent assessment published in September 2019 found the force to be good in the areas for legitimacy and effectiveness, but requiring improvement in efficiency. The force considers carefully HMICFRS recommendations and acts upon them through a series of coordinated action plans 'owned' by the appropriate Chief Officer. The inspections have been stalled during the pandemic, but engagement with HMICFRS inspectors has continued and the process is set to be re-established as restrictions are lifted. As part of the force's own governance arrangements they have established a Warwickshire Assurance Board, which acts as the primary vehicle to ensure that recommendations from HMICFRS are actioned appropriately. The Analysis and Service Improvement team in the force provide oversight within the force of the HMICFRS actions and monitor progress against them, reporting these to the PCC and JASC on a regular basis. The PCC also holds the Chief Constable to account through ongoing performance monitoring at the monthly Performance meetings and through deep dives into scheduled service areas, and actions are also reported and reviewed by the Joint Audit and Standards Committee to provide further assurance that progress and appropriate actions to deal with the issues raised in the inspections are being dealt with. The actions arising from the latest inspection are no exception, and it is hoped that the work and changes that have been undertaken will be recognized in the next inspection as Warwickshire Police emerge fully from the alliance and services are stood up in Warwickshire and work continues with new collaborative partners.

The Police and Crime Commissioner's Grant Scheme has been further developed to ensure funding is based on identified need, with clear outcomes. The PCC commissions a number of key services to ensure that they are fit for purpose and provide value for money. He has also undertaken some co-commissioning with partners in terms of domestic abuse services. All commissioned services are performance monitored and sit alongside the annual grants process also undertaken by the PCC for allocating funds, following a robust and rigorous evaluation process. Monitoring of grants in terms of finance and performance achieved from the grant allocation is also undertaken throughout the year to ensure that the desired outcomes and the Police and Crime Plan objectives are being delivered.

### **3.5 Principle E. Developing the entity's capacity, including the capability of its leadership and the individuals within it**

The PCC ensures that their statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the OPCC and force. Specialist advice in areas such as treasury management, along with some other key services, is externally sourced as this is more cost effective and practical. Our training strategies provide the climate for continued development of individuals. The respective performance development review processes will ensure that these strategies are turned into reality for officers and members of staff. This principle is included within the Police and Crime Plan.

The Corporate Governance Framework provides a clear statement of respective roles and responsibilities and how they are delegated. All OPCC and force staff are encouraged to network and build working relationships with key stakeholders in their respective fields. The PCC's Treasurer and the force Director of Finance participate in the CIPFA continuous professional development programme to ensure that their skills and knowledge are kept up to date and relevant, but this is just one example and there are many others throughout the organisations. The force also supports the MAX programme which looks at how contributions and potential can be maximised by recognising achievements, realising aspirations, helps to improve health and wellbeing, fosters talent and drives clarity in focus and direction. The force and OPCC also undertake performance development reviews, through annual assessments, which includes the setting of priorities and objectives.

To develop capacity, reach and capability, the PCC is a member of the Association of Police and Crime Commissioners (APCC) and the Chief Constable and his chief officers are members of the National Police Chiefs Council (NPCC). Members of their respective teams are involved with numerous other professional bodies, at the OPCC this includes the Association of Police and Crime Commissioners Chief Executives (APACE), the Police and Crime Commissioners Treasures Society (PACCTS), and there are similar professional networking bodies attended by force staff and officers. Such organisations provide an opportunity to share knowledge, experience and thinking on current issues, legislation and Government announcements, how these should be applied and examples of best practise. They also provide opportunities for networking and release guidance and notifications on a regular basis to assist staff to carry out their roles effectively.

The force uses local succession planning and promotion processes, and also champion's diversity and inclusion through the Diversity and inclusion Board, which is attended by unions, staff associations, support networks and diversity and equality leads. This encourages two way communication to drive cultural change and improve health and wellbeing of all employees. Communication channels, particularly through the pandemic as more working has taken place on a more remote and flexible basis have been kept open through regular force order communications to all staff and via

more local updates within teams and at the OPCC. The Health and Wellbeing Strategy supports the force fit for the future objectives with the aim of achieving the forces vision of creating a positive working environment and promoting a culture of trust where our people work together and feel motivated. The force took part in the first national wellbeing survey and the results placed the force above all other forces across a range of measures. The National Pay and Morale Police Federation survey also showed Warwickshire in a positive light in how we have responded to the challenges from Covid-19 and how we have kept our workforce engaged. We showed the highest levels of officer morale from the 43 Forces.

### **3.6 Principle F. Managing risks and performance through robust internal control and strong public financial management**

The PCC and Chief Constable each have a Strategic Risk Strategy in place to ensure that the risks facing the force and PCC's office are effectively and appropriately identified, evaluated and reported. At the OPCC the risk management process is becoming more embedded. Operational risks are logged centrally and are used to inform agreed changes to strategic risks as necessary by the Chief Executive, PCC and Treasurer. The OPCC strategic risk register is updated quarterly and discussed at regular OPCC risk management meetings. The forces risk management process is more mature and embedded in both operational and organisational activities. The primary objective is again to manage risk in a way that reduces the likelihood of occurrence and minimising the impact or risks, should they take place. There is some alignment in strategic risks across the force and OPCC and both separate risk registers are reported to the quarterly JASC meetings for assurance and scrutiny.

The Corporate Governance Framework sets out the parameters for decision making, including the delegations, consents, financial limits for specific matters and for contracts. The framework and associated documents are reviewed annually and scrutinised by JASC.

The Joint Audit and Standards Committee meets on a quarterly basis and the agendas, papers and minutes are published on the OPCC website. As part of its work programme the committee receives regular updates on internal and external audit, HMICFRS inspections, treasury management, risk management and the progress on transitioning services from the alliance. The JASC has met remotely during the course of 2020-21 as a result of the pandemic, but the format will change as restrictions lift. The JASC have reviewed their terms of reference, developed a training programme and have a formal work plan which is reviewed regularly. The JASC operates in line with CIPFA guidance and within the guidance of the Financial Management Code of Practice<sup>6</sup>.

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<sup>6</sup> Financial Management Code of Practice for the Police, s11.1.3

## OFFICIAL

The Warwickshire and Worcestershire County Council Law and Governance Service are commissioned by the PCC and Chief Constable to conduct independent and impartial audits in 2020-21 for Warwickshire.

Regular financial monitoring is undertaken and reported to the PCC against the approved budget. This is supplemented by regular informal meetings between the Treasurer and the force finance teams, who provides feedback on issues as necessary. Budget monitoring and performance is discussed at the monthly governance group meetings as well as at weekly holding to account meetings held with the Chief Officers to enable the PCC to scrutinise and challenge performance, financial management and internal control. Business planning feeds into the annual budget planning process and this will continue to be refined, developed and embedded during the next budget setting round.

The Director of Finance and Treasurer, both have a series of statutory responsibilities that underpin various codes of practice. The Financial Management (FM) Code of Practice and CIPFA document the role of the CFO, set out the core responsibilities of the CFO as well as the personal skills and professional standards that are crucial to success in the role. From 1 April 2020, Local Authorities including Police forces and PCCs are required to apply the requirements of the FM code. The FM code sets out the criteria for sound financial management through appropriate governance arrangements and financial management style. It is recognised that 2020-21 is a shadow year and entities should undertake assessments against the FM code so that by 31 March 2021, they are able to demonstrate that they are working towards full compliance. As part of the NPCC and PACCTS supported AFEF programme, provided under CIPFA, the force has undertaken a financial capability review, and was found to be satisfactory. A series of recommendations have been made, and the force are working towards achieving these, through an agreed action plan and stakeholder engagement. To supplement the independent work and recommendations from CIPFA on financial management capability and resilience, the Director of Finance and Treasurer have considered the CIPFA financial management code self-assessment tool and are content that the actions that they would identify for improvement are in line with the action plan that is being delivered, and further work will continue on this to embed the seven criteria including – the responsibilities of the CFO and leadership team, governance and financial management styles, approach taken to long to medium term financial management, the annual budget setting process, stakeholder engagement and business plans, monitoring of financial performance and external financial reporting.

To ensure that financial control has been maintained and operated in respect of the resources under the control of the Chief Constable and the PCC. The system of internal financial control provides assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or should be detected within a timely period. To conduct their business effectively, the PCC and Chief Constable need to ensure that they have sound financial management policies in place and that they're strictly adhered to. Part of this process is to adopt and implement financial regulations. The regulations are updated annually, and form part of the corporate governance

framework. They are supported through the scheme of delegation and other policies in other specific areas.

The relationship between the Treasurer and Director of Finance is critical to ensure that an appropriate and effective financial strategy is developed and implemented. Regular meetings between the two statutory post holders are held to discuss financial performance against budget, to refresh the MTP and examine key issues that require strategic financial input to decisions as well as routine matters of governance and audit report findings and recommendations. This is a strong relationship built on trust and confidence, and the controls are adequate.

### **3.7 Principle G. Implementing good practices in transparency, reporting and audit to deliver effective accountability**

The PCC complies with all good practice and statutory requirements regarding transparency in that he has produced and published an annual report that details performance against objectives for the previous year, and the information published on the OPCC website is in accordance with the Elected Local Policing Bodies (Specification Information) Order 2011.

The OPCC website is kept up to date with the publication of key decisions, performance reports and details of HMICFRS inspections including the PCC's response to the Home Secretary on the reports. Additionally, the PCC publishes notes from his weekly holding to account meetings with the Chief Constable. The website for the OPCC and the force are both reviewed regularly, and are refreshed and updated to ensure they remain up to date and compliant.

The PCC and Chief Constable have appointed internal and external auditors and audit recommendations are reported to the JASC. The JASC meet with representatives from the force, the lead auditors and key partner on a regular basis to consider all internal and external outstanding issues. Regular briefings are held between the Director of Finance, Treasurer and internal and external audit colleagues to ensure that audit progress is on track against plan and to keep abreast of any specific issues which can be raised more widely if necessary, to ensure that good outcomes are achieved, relationships are strong and controls are adequate and provide the necessary assurance to the PCC and Chief Constable.

The PCC has a 'Publication and Freedom of Information (FOI) Scheme' in place. All FOIs received into the OPCC are dealt with directly, or passed onto the force as appropriate by agreement. The force have a dedicated team who collate requests and manage responses on their behalf.

The Police and Crime Panel also undertake a scrutiny role of the PCC. The Panel meet at least quarterly to challenge the PCC, they receive formal reports and meet in open session. On occasion they have also received informal updates on specific

issues, and they have two separate working groups who report back to the full panel on budget and performance issues.

The force publishes its Force Management statement (FMS) each year, which is a self-assessment document to inform business planning, and to identify organisational and operational risk and priorities around achieving the PCC's Police and Crime Plan.

## **4. Review of Effectiveness**

The PCC's office has responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including: -

- The system of internal audit
- The system of internal control

The governance framework within the OPCC is reviewed regularly and influenced by the internal and external audit reviews for its effectiveness by the PCC, Chief Executive and Treasurer. The roles and processes applied in maintaining and reviewing the effectiveness of the governance framework are outlined below: -

### **4.1 Police and Crime Commissioner**

The PCC has overall responsibility for the discharge of all the powers and duties placed on him and has a statutory duty to maintain an efficient and effective police force.

The effectiveness, review and maintenance of the governance framework is undertaken by the JASC, who discuss governance issues and refer reports to the PCC when necessary.

### **4.2 Warwickshire Police**

The Chief Constable has responsibility for conducting a review of the effectiveness of the governance framework within the force at least annually. This review is informed by the work of senior officers and managers, including the Director of Finance, Head of Internal Audit and the Risk and Assurance managers, who have responsibility for the development and maintenance of the governance environment.

### **4.3 Joint Audit and Standards Committee (JASC)**

The JASC receives regular reports on governance issues, it has an agreed terms of reference that are reviewed annually, a comprehensive workplan in place and a schedule of pre-meet training and informal update sessions to ensure it is fully briefed on all topical governance matters. Reporting on governance issues includes the review of the Annual Governance Statement (AGS) for inclusion in the Annual



## OFFICIAL

Statement of Accounts and update reports on the progress made in addressing any significant governance issues identified in the AGS.

The JASC receives regular reports on policy and procedure, decision making, leadership, culture, people, performance and conduct. This also includes update reports on the progress made in addressing any significant issues that have been identified, particularly in terms of updates relating to the transitioning of services away from the former alliance. Individual members of the Committee lead on issues in specific areas, working closely with staff across the force and PCC outside of the formal meetings. The Committee formally meets approximately 4 times a year.

### **4.4 Head of Internal Audit**

In maintaining and reviewing the governance framework, the Treasurer places reliance on the work undertaken by internal audit; in particular, the Head of Internal Audit independent opinion on the adequacy and effectiveness of the system of internal control. The annual report of the Head of Internal Audit provides the opinion that taking into account all available evidence, that internal control environments give “moderate assurance”.

The internal audit service is compliant with all CIPFA and industry requirements and standards. The JASC reviews (and will continue to review) internal audit performance.

### **4.5 External Audit and Other External Review Bodies**

External audits are an essential element in ensuring public accountability and stewardship of public resources and the corporate governance of all services provided by the OPCC and Warwickshire Police. Their annual Auditor Findings report provides commentary on the financial aspects of corporate governance, performance management, value for money and other matters of note.

The external auditors have issued their opinion on the ‘Statement of Accounts 2019-20’ including their value for money conclusion, and is published on the OPCC and force website. Recommendations made in the report have been responded to and will be actioned as appropriate. Regular update meetings are held each month between external audit, the Treasurer and Director of Finance to discuss topical and emerging issues in more detail. Regular updates from external audit are also provided in a report to each JASC meeting which is also attended by the PCC and Chief Constable and their respective staff.

In addition to the above, other review / assurance mechanisms such as Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS), who are charged with promoting the effectiveness and efficiency of policing and improving performance and sharing good practice nationally, are relied upon by the PCC, along with assurances from within the Analysis and Service Improvement department within the force who monitor progress against HMICFRS action plans and report back to the PCC, Chief Constable and JASC. The Police and Crime

Panel also provide some assurance and scrutiny to ensure that the PCC and his office are undertaking and fulfilling their key responsibilities effectively, and two separate sub-working groups on performance and finance are set up to scrutinise specific areas in more detail.

## 5. Significant Governance Issues

### 5.1 Strategic Risks

This AGS referred earlier to the Strategic Risk Registers which are held separately for the Force and PCC.

The Force strategic risk map is reviewed monthly at the Executive Board meeting. The OPCC risk register is discussed at monthly team meetings, and reviewed on a quarterly basis by the Chief Executive and Treasurer as part of the review of strategic risks. Both risk registers and maps are reported to the Joint Audit Committee at each of their meetings.

The OPCC Strategic Risk Register includes:

- The risk that the PCC does not fulfil his statutory duties, including holding the Chief Constable to account. This risk outlines that failure to meet any of these responsibilities could lead to possible litigation and reputational damage to the OPCC in Warwickshire.
- The risk that we fail to manage our finances effectively across the Medium Term Financial Plan (MTFP) and longer term sustainability. This relates primarily to the risk that day to day expenditure will not be met by the core funding available which would be unsustainable. The PCC has given a commitment to set good and balanced budgets as part of his financial strategy and has developed a 5 year medium term financial plan to demonstrate sustainability and resilience.
- Risks arising from the transitioning of services following the ending of the Alliance. The desired outcome is that those services that are due to transition from the new S22 agreement with West Mercia have successfully transitioned and there is no impact on Warwickshire's ability to deliver services
- The risk that we have inadequate commissioning of services. The PCC is responsible for commissioning services for the victims of crime, along with other services to meet specific Police and Crime Plan objectives. These services are often for vulnerable people and are sensitive and emotional time, so the risk remains that if these services are not provided in a suitable manner this could bring serious consequences to the lives of individuals in our communities and significant reputational risk to the PCC
- The risk that we do not manage our partnerships effectively which could lead to our objectives not being achieved, poor value for money, an adverse impact

## OFFICIAL

on the reputation of the PCC and non-achievement of the Police and Crime Plan objectives

- That the PCC fails to engage with the community. To engage with the public is a primary concern for the Commissioner. He is the link between the public and the Force. The public must be informed about the work he is undertaking and that he is doing the job for which he was elected. If public engagement is ineffective then this can have an adverse effect on the reputation of the PCC, lack of public buy-in to the PCC plans as they do not reflect their concerns and loss of confidence in the PCC and Force
- The risk that we fail to deal with the challenges posed by the Coronavirus pandemic. The resulting risk is that the OPCC fails to manage and respond effectively to the changing environment, service demands and new additional responsibilities arising from the evolving impact of Covid-19, and thereby is unable to discharge effectively the statutory functions of the PCC and to deliver services commissioned and provided by the OPCC.

As you might expect there is some areas of commonality between the force and PCC strategic risk register. However, it should be noted that the forces strategic risks include:

- Establishing a separate Warwickshire ICT structure  
This concerns activities to separate priority digital services and data from West Mercia by October 1<sup>st</sup>. This includes the separation of applications, establishing a standalone infrastructure and delivering the new operations and communications centre environment.
- Financial Impacts – the medium term financial plan  
This relates to the risk that day to day net expenditure does not balance with the total amount of core government funding and council tax
- Transition of existing S22 services  
This relates to the transition of forensics to a new agreement with West Midlands Police and the establishment of an in-house transactional shared services (HR service centre, HR systems, L&D administration, financial services and payroll).
- Coronavirus  
This relates to the risk of serious disruption to critical services as a result of the COVID-19 pandemic

Any other risks of a sensitive operational nature are recorded and monitored on the strategic risk register, and are reported regularly to the Joint Audit and Standards Committee, but are not replicated here.

## 5.2 Significant Governance Issues 2020-21

There were no significant governance issues for 2020-21 in the last AGS, but the following governance issues were noted:

“As a consequence of the decision of West Mercia Police to terminate the alliance with Warwickshire Police, there will be a requirement to review the governance arrangements of any remaining services still part of a collaborated service with West Mercia to ensure that any new arrangements are appropriate.

- Monitor progress arising from the legislative changes and embed the arrangements for dealing with police complaints reviews by working in partnership with the OPCC for West Midlands.
- Monitor the progress of the ICT Coordination Committee including the benefits realisation and costs to ensure that Warwickshire is able to stabilise systems and infrastructure to enable it to transition to its new future arrangements.
- Development of the Evolve 2 efficiency savings plans to ensure that the force is able to meet the requirements of the MTFP and develop a good and balanced budget.
- Ensure a smooth transition from the Alliance beyond April 2020 for the majority of services and develop and monitor plans, including spending, for collaborations with new partners, including West Midlands Police.
- Undertake a review of the lessons learnt from the Coronavirus pandemic and what governance, service and operational changes should be adopted in the light of the crisis.
- Fundamentally review the funding assumptions in the MTFP, using the latest information from central and local government and identify a sustainable budget, including savings plans over the medium term.
- Consider the options and plan for the delivery of estates services from April 2021 across Warwickshire in the light of the exit notice issued by Worcestershire County Council, as one of the four main shareholders, to Place Partnership Ltd in March 2020”

Mitigations and action plans have been put in place to address each of these issues and manage the risk, through normal governance processes. A balanced budget has been set for 2021-22 and a 5 year MTFP has been approved with clearly defined assumptions and a savings plan is included as part of that, a new S22 agreement have been signed with West Midlands for forensics services from the 1 September 2021, estates services are now delivered by Warwickshire Police following the winding up of Place Partnership at the end of March 2021. The ICT coordination Committee continues to meet until the end of September during the remaining months of the S22 with West Mercia for shared ICT services, and the complaints process is now embedded at the OPCC and options continue to be considered for managing the process in future.

### 5.3 Potential Significant Governance Issues 2021-22

There are no significant governance issues for 2021-22, but the following issues are outlined:

- Monitor the progress including the benefits realisation and costs of the Evolve programme and specifically the ICT transition and transformation to ensure that Warwickshire moves to its new ICT infrastructure and operating systems, and that the remaining application migration is progressed in a safe, smooth and cost effective manner.
- Development of the Evolve efficiency savings plans to ensure that the force is able to meet the requirements of the MTFP and develop a good and balanced budget.
- Ensure a smooth transition for forensics, from services delivered by West Mercia to services delivered by West Midlands from the 1st September 2021.
- Ensure that a smooth transition of transactional services occurs which will be delivered by Warwickshire Police from the 1<sup>st</sup> October 2021.
- Continue to develop the process and make progress on the recommissioning of services provided by the OPCC for victims and vulnerable groups.
- Continue to monitor the commercialisation of the national contractor vetting service, to deliver services and meet the income target outlined within the budget.

## 6. Conclusion and Commitment Statement

The PCC and Chief Constable have reviewed this statement and are satisfied that it is an accurate summary of the governance arrangements in place and of their effectiveness during 2020-21.

The ongoing coronavirus pandemic throughout 2020-21 has resulted in a number of changes to the way the OPCC and force conducts its work, to ensure that ever changing restrictions and regulations have been adhered to. This AGS reflects on those changes, to bring this document up to date at the point of signing.

All necessary steps will be taken to implement and scrutinise effective governance during 2021-22 and that the areas identified in Section 5.3 are suitably addressed.

Signed

Philip Seccombe TD

Warwickshire Police and Crime Commissioner

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Polly Reed

Chief Executive Warwickshire OPCC

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Director of Finance – Warwickshire Police

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