Appendix A

Sussex Police & Crime Commissioner

Annual Governance Statement 2015-16

1. Introduction

1.1 This statement sets out how the Sussex Police & Crime Commissioner (PCC) complies with the requirements of the CIPFA/SOLACE Good Governance Framework[1]. It is designed to complement the Statement of Sussex Police to give the full picture of governance within the Office of the Police and Crime Commissioner for Sussex and Sussex Police.

1.2 This Annual Governance Statement provides a summary of the extent to which the aspirations set out in the Code of Corporate Governance[2] (revised code in place from 1 April 2014) were being met during the 2015-16 financial year. This statement is informed by assurance on the six principles of the Code and by on-going audit inspection.

2. Scope of Responsibilities

2.1 The Sussex Police and Crime Commissioner (PCC) and Sussex Police are responsible for ensuring business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, and appropriately. The Sussex PCC has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which her functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Sussex PCC is responsible for putting in place proper arrangements for the governance of her affairs and facilitating the exercise of her functions, including a sound system of internal control and management of risk.

2.2 The Sussex PCC continues to follow the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE) Framework: 'Delivering Good Governance in Local Government'.

2.3 This statement explains how the Sussex PCC has complied with the principles within the Code and also meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control. The Force's financial management arrangements conform to the governance requirements of CIPFA's Statement on the Role of the Chief Finance Officer in Local Government (2010) as set out in the Statement on 'The role of the Chief Finance Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (July 2012)'.

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1 CIPFA/SOLACE – the Chartered Institute of Public Finance and Accountancy/Society of Local Authority Chief executives

2 Code of Corporate Governance

The Purpose of the Governance Framework

3.1 The governance framework comprises the systems, processes, culture and values by which the Sussex PCC is directed and controlled and its activities through which it accounts to and engages with the community. It enables the Sussex PCC to monitor the achievement of its strategic objectives, as set out in her Police & Crime Plan, and to consider whether those objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money.

4 The Governance Framework

4.1 The statutory framework within which both the Sussex PCC and Force operate are as follows:

- Police Reform and Social Responsibility Act 2011
- Policing Protocol Order 2011
- Financial Management Code of Practice
- Strategic Policing Requirement
- The Police and Crime Commissioner elections (declaration of acceptance of Office) Order 2012

4.2 The Chief Constable of Sussex Police is responsible for operational policing matters, the direction and control of police personnel, and for putting in place proper arrangements for the governance of the Force. The Sussex PCC is required to hold him to account for the exercise of those functions and those of the persons under his direction and control. It therefore follows that the Sussex PCC must satisfy herself that the Force has appropriate mechanisms in place for the maintenance of good governance, and that these operate in practice.

4.3 Under the Police Reform and Social Responsibility Act (2011) the Sussex PCC also has a statutory function to produce a Police and Crime Plan. The four priority areas that the Sussex PCC will work with Sussex Police, engage with communities and work in partnership to address are:

- Crime and Community Safety
- Victim Focus
- Public Confidence
- Value for Money

On the 12 May the PCC began a new four year term of office. The Police Reform and Social Resposibility Act (2011) requires that she consults with partners, stakeholders and the public to set new priorities and to produce a new Police & Crime Plan by 31 March 2017.

4.4 A governance framework, collectively known as the Scheme of Corporate Governance, is in place and includes the Code of Corporate Governance, Memorandum of Understanding, Decision–making Framework, Schemes of Delegation, Financial Regulations and Contract Standing Orders. The Force system of internal control, based on a framework of policies and procedures, is a significant part of the Force governance framework and is designed to manage risk to a reasonable and foreseeable level. The Force cannot eliminate all risk of failure to achieve policies, aims and objectives; it can only provide reasonable but not absolute assurance of effectiveness.

4.5 The Code of Corporate Governance was introduced on 1 April 2014 and all strategic governance documents were reviewed in 2014-2015 as part of the annual review of

governance documentation. As well as areas for improvement identified through other sources and inspections, the Code of Corporate Governance identifies a diarised programme for the regular review of policies. A key element of this is the identification and management of risk.

4.6 Governance arrangements for both the Sussex PCC and Sussex Police follow the six principles as identified in the revised Delivering Good Governance in Local Government: Guidance Note for Police (2012) detailed below: The joint Code of Corporate Governance provides a summary of governance arrangements and an assurance map setting out responsibilities.

4.7 ***Principle 1: Focusing upon the purpose of the Sussex PCC and Sussex Police and on outcomes for the community, and creating and implementing a vision for the local area.***

To achieve this, the Sussex PCC has:

- refreshed and published the Police and Crime Plan setting out her priorities;
- provided an annual report to the Police and Crime Panel setting out her achievements against the plan;
- established a Medium Term Financial Plan supported by robust, sustainable multi-year budgets to deliver the vision set out in the Police and Crime Plan;
- challenged the Chief Constable at weekly performance and accountability meetings. Once a month these meetings are made available to the public by webcast;
- held regular meetings with the public and representative groups to determine public priority and need;
- actively pursued joint working opportunities at a local, regional and national level, which has resulted in a number of policing services being delivered in collaboration arrangements particularly with the Surrey PCC and Surrey Police and other force areas for the delivery of specific services;
- regularly challenged the Chief Constable and Sussex Police (as appropriate) on their contact with members of the public including their handling of complaints;

4.8 ***Principle 2: Leaders, officers and partners working together to achieve a common purpose within clearly defined functions and roles.***

To achieve this, the Sussex PCC has:

- undertaken a review of the Corporate Governance arrangements, including the Financial Regulations which define the functions and delegated authorities of senior officers;
- taken an active role in corporate governance bodies within Sussex Police;
- worked with key partners to achieve the priorities as set out in the Police & Crime Plan;
- been represented on Pan-Sussex multi-agency management boards, delivering a joint strategy to support victims of sexual violence, domestic violence and vulnerable or exploited children;
- met the statutory responsibility of commissioning services to support victims of crime through an effective tender process;
- managed a competed fund scheme to provide funding to specialist victim support services

4.9 ***Principle 3: Promoting values for the Office of the Sussex PCC and demonstrating the values of good governance through upholding high standards of conduct and behaviour.***

To achieve this, the Sussex PCC has:

- ensured that officers and staff carry out their respective roles in a climate of openness, support and respect;
- has continued to monitor standards of conduct and personal behaviour which are defined and communicated through appropriate codes of conduct and protocols;
- has continued to hold the Chief Constable to account through the governance and integrity accountability meetings, seeking assurance that conduct and standards matters are well communicated across the office of the Sussex PCC and Sussex Police and are managed effectively;
- has continued to improve procedures and policies for dealing with and investigating complaints both against the Chief Constable and staff within the OSPCC which are in line with national guidelines including setting up a system for the random checking of complaints handled by Sussex Police;
- continued to work with the Police & Crime panel to support them in their scrutiny of the Police & Crime Commissioner;
- undertaken a full review of the governance and transparency areas of the website to meet the requirements of the Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and to make sure all conduct and integrity matters are published in an open manner;
- entered joint commissioning arrangements with statutory partners to make best use of public funds whilst creating a consistent offer of support to victims across Sussex
- ensured all legal and national guidance requirements were met by the OSPCC during the purdah period prior to the PCC election on 5 May 2016

4.10 ***Principle 4: Taking informed and transparent decisions, which are subject to effective scrutiny and managing risk.***

To achieve this, the Sussex PCC has:

- ensured that all decision making is carried out in accordance with the governance framework as set out in the Scheme of Corporate Governance
- ensured transparency through the publication of significant decisions and activities through the Sussex PCC website
- developed and maintained effective arrangements to challenge and scrutinise the Chief Constable's performance and compliance with other requirements including Health & Safety, Estates and Equality & Diversity to make sure that appropriate decisions are taken in these areas;
- considered risks and continuously updated and managed the risk register;
- fully cooperated with the Police & Crime Panel request for working groups to consult them on the budget, Annual plan, PCC priorities and Victims Commissioning
- continued to support the work of the Joint Audit Committee in its role of scrutiny and monitoring of governance and internal control
- improved systems for the allocation of grant funding through 'Safer in Sussex' and achieved substantial assurance that the system is fair and effective.

4.11 **Principle 5: Developing the capacity and capability of all to be effective in their roles.**

To achieve this, the Sussex PCC has:

- supported a programme of collaboration between Sussex and Surrey Police to increase capacity, share expertise and provide the most efficient and cost effective service

- ensured that a personal development programme is in place for the all OSPCC staff to make sure they have the knowledge and skills to undertake their roles through regular one-2-one meetings and individual development review meetings
- held the Chief Constable to account in his delivery of the Force Equality and Diversity Strategy where it relates to officers and staff within the Force
- held performance reviews with the Chief Constable

4.12 **Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability.**

To achieve this, the Sussex PCC has:

- provided weekly information about activities and decisions through the on-line newsletter and actively sought feedback on the issues raised within it;
- webcast monthly performance and accountability meetings with the Chief Constable
- worked with the Youth Commission to seek the views of young people in Sussex and to better understand their priorities;
- has set up and worked with her Elders' Commission to better understand the priorities of older residents in Sussex;
- developed an annual plan to embrace the many different strands of public/customer/stakeholder facing activity to increase the PCC profile and to maximise public engagement
- increased the level of published positive news and ensured that the PCC priorities have been featured or debated media and social media coverage
- doubled the number of contacts and newsletter recipients
- added a new online poll to the website covering the key elements of the PCCs second term priorities.
- held the Chief Constable to account in his delivery of the Force Equality and Diversity Strategy where it relates to engagement with the public.

5 Review of Effectiveness

5.1 The Sussex PCC has responsibility for reviewing the effectiveness of the governance framework including the system of internal audit and control. This is done annually through the annual governance formal review processes and also throughout the year as part of the challenge and accountability activity. Assurance of compliance was provided by a comprehensive internal audit of governance processes during 2013-14. This Annual Governance Statement provides a summary of activities undertaken and areas for improvement have been included in the action plan for 2016-17.

5.2 The OSPCC Senior Management Team meets weekly with the PCC to review activity and decisions. Senior officers also meet once a month to consider finance and governance matters.

5.3 The Joint Audit Committee has been consulted on the development of the Annual Governance Statement. The draft statement is considered by the Committee and the final statement is considered at its meeting in July for approval by the PCC. The Committee ensures there is continuous improvement in the process and endorses the resulting action plan annually.

5.4 A process is in place to ensure that the PCC and Chief Constable approve and sign the Annual Governance Statement in accordance with the CIPFA/SOLACE guidance.

6 Governance Issues

6.1 No significant concerns were raised during the internal audit of the governance arrangements; however a small number of issues were identified as areas for improvement. These improvements to further enhance our governance arrangements are identified in paragraph 7 together with on-going actions continued from 2014-15.

7 Areas for Improvement

7.1 As part of the development of this Annual Governance Statement, the office of the PCC has reviewed its compliance with CIPFA guidance and recommendations from internal auditors, external auditors and other external agencies. The following improvements are being developed to further enhance our governance arrangements.

7.2 Areas carried over from the Annual Governance Statement 2014-5

- Continued review of strategies and policies as set out in the Code of Corporate Governance
- Continued scrutiny of the PCC budget to ensure value for money and achievement of the Sussex Police and Crime Plan.
- Continued close monitoring of the Victim Support Initial Assessment and Local Support Services contract

7.3 New areas for improvement identified in 2016-17

- Review of the structure of the OSPCC to make sure the office is fit for purpose following the election on the 5 May 2016
- Develop new arrangements for the handling of complaints as required under the Policing and Crime Bill
- Consult on and produce new Police & Crime Plan
- Appoint to the position of Chief Finance Officer following the resignation of the current postholder
- Consider the requirements of the Policing & Crime Bill where it relates to the role of the Police & Crime Commissioner
- Develop and implement Information Security Strategy
- Develop a partnership map to support the work of the Communications team and other project teams within the OSPCC
- Develop the website to make sure it is fit for purpose and easy to use.
- Drive service improvements to victims by expanding methods of contact and greater use of technology.

8. Certification

This statement has been prepared on the basis of the review of effectiveness of governance arrangements. Advice and recommendations on the Annual Governance Statement have been received from internal and external auditors and the Joint Audit Committee. It represents a fair and reasonable assessment of current arrangements and plans for improvement by the Sussex PCC.

Katy Bourne
Police & Crime Commissioner for Sussex