Sussex Police & Crime Commissioner's Annual Governance Statement 2022/23

1 Introduction

1.1 This Annual Governance Statement sets out how the Sussex Police & Crime Commissioner (PCC) has complied with the corporate governance framework set out in the Code of Corporate Governance[1] for the Sussex Police & Crime Commissioner and the Chief Constable in place for the year ended 31 March 2023. It also details areas of improvement to further enhance governance arrangements that the PCC plans to progress during 2023/24.

1.2 Publication of the draft unaudited accounts and AGS deadline is 31 May 2023. Publication of the final audited accounts and AGS deadline is 30 September 2023.

1.3 It is designed to complement the Annual Governance Statement of the Chief Constable, to give the full picture of governance within the Office of the Sussex Police & Crime Commissioner (OSPCC) and Sussex Police.

1.4 This statement is informed by an annual review of governance arrangements with assurance on compliance with the seven principles of the Code of Corporate Governance[1], by on-going audit inspection and external review.

1.5 Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts (England). This term 'authority' includes the Chief Constable and the Police and Crime Commissioner legal entities as corporations sole. This requirement is reflected in the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 published by the Chartered Institute of Public Finance & Accountancy (CIPFA).

2 Scope of Responsibilities

2.1 The Chief Constable and the Police & Crime Commissioner (PCC) are responsible for ensuring business is conducted in accordance with the law and proper standards, and that public money is safeguarded and is properly accounted for.

2.2 Under the Policing Protocol 2011 the PCC has responsibility for the delivery of an efficient and effective police force for the police area. The PCC has a statutory responsibility to obtain views of the community and victims of crime about the policing of the Force area and must have regard to the views of responsible authorities. These views inform the PCC's Police & Crime Plan which sets the strategic direction and priorities for the Force.

2.3 The PCC has responsibility for the delivery of effective and efficient policing, management of resources and expenditure by the police force. The Chief Constable has a statutory responsibility for the control, direction and delivery of operational policing services provided by Sussex Police, (hereafter referred to as the Force) having regard to the strategic direction and priorities set by the PCC in the Police & Crime Plan. In discharging this overall responsibility, 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.

[1] Code of Corporate Governance code-of-corporate-governance-2022.pdf (sussex-pcc.gov.uk)

2.4 The PCC continues to follow the principles of the CIPFA Framework: 'Delivering Good Governance in Local Government'[2] and the guidance notes for policing bodies (revised 2016)[3].

2.6 This statement explains how the PCC has complied with the principles and meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

2.7 The Force's financial management arrangements conform to the governance requirements of CIPFA's Statement on 'The role of the Chief Finance Officers in Policing (March 2021)'[4].

2.8 Strong financial management is an essential part of ensuring public sector finances are sustainable. The Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities and will provide assurance that authorities are managing resources effectively.

2.9 It requires authorities to demonstrate that the processes they have in place satisfy the principles of good financial management. Complying with the standards set out in the FM Code is the collective responsibility of the Police and Crime Commissioner, Chief Constable, the Chief Finance Officer and their professional colleagues in the leadership team. Complying with the FM Code helps to strengthen the framework that surrounds financial decision making.

2.10 An assessment of the compliance with the FM Code was carried out in 2021/22. This assessment will be revisited in 2023/24 and another review completed to identify any changes that may have arisen.

3 The Purpose of the Governance Framework

3.1 The governance framework comprises the systems, processes, culture, and values by which the PCC is directed and controlled, together with its activities through which accounts to and engages with the community.

3.2 It enables the PCC to monitor the achievement of strategic objectives, as set out in her Police & Crime Plan[5] and in the Strategic Policing Requirement[6], and to consider whether those objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money.

3.3 The fundamental function of good governance in the public sector is to ensure that intended outcomes are achieved whilst acting in the public interest at all times.

4 The Governance Framework

4.1 The Chief Constable 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.

[2] "Delivering Good Governance in Local Government" http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition

[3] "Delivering Good Governance in Local Government" and the guidance notes for policing bodies (revised 2016) http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-guidance-notes-for-policing-bodies-in-england-and-wales-2016-edition

[4] The role of the Chief Finance Officers in Policing was updated in March 2021 and is published behind a paywall.

[5] Police and Crime Plan: https://www.sussex-pcc.gov.uk/our-priorities/police-crime-plan/

[6] Strategic Policing Requirement: https://www.gov.uk/government/publications/strategic-policing-requirement

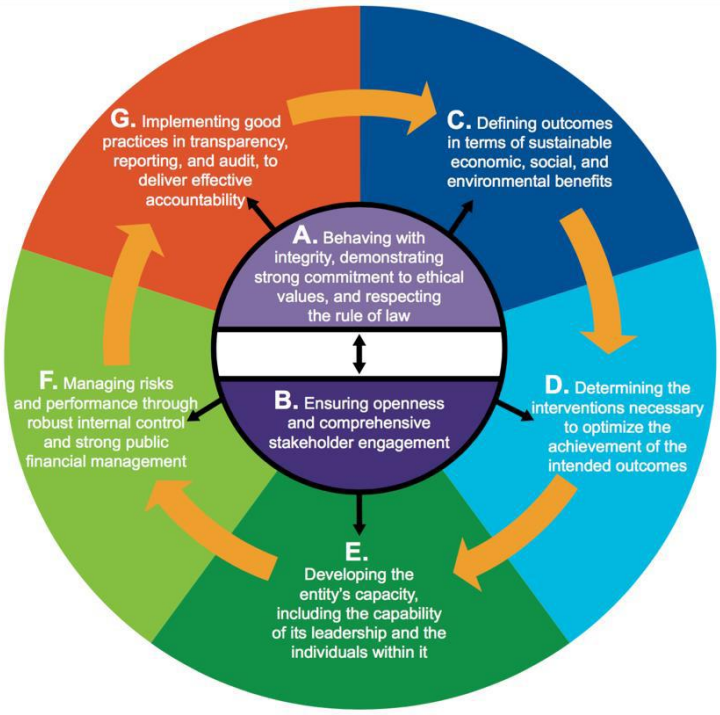
[7] Governance Documents: https://www.sussex-pcc.gov.uk/about/transparency/how-we-work/

The PCC is required to hold the Chief Constable to account for the exercise of those functions and those of the persons under their direction and control. It therefore follows that the PCC must be assured that the Force has appropriate mechanisms in place for the maintenance of good governance, and that these operate in practice.

4.2 A governance framework, collectively known as the Scheme of Corporate Governance[7], has been in place for the year ended 31 March 2023 and includes the Code of Corporate Governance, Memorandum of Understanding, Decision–making Framework, Scheme 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.

4.3 The Code of Corporate Governance for the PCC and Chief Constable and all strategic governance documents that comprise the Scheme of Corporate Governance were reviewed in 2022/23 as part of the annual review of governance documentation and are available on the PCC's website[7]. The Joint Code provides a summary of governance arrangements setting out responsibilities. The Code also details a diarised programme for the regular review of policies. A key element of this is the identification and management of risk.

4.4 Governance arrangements for both the Chief Constable and the PCC follow the seven principles as set out in the revised Delivering Good Governance: Guidance Notes for Policing Bodies in England and Wales (2016 Edition). The diagram below illustrates the various principles of good governance in the public sector and how they relate to each other. A summary of how the PCC complies with these principles is detailed below.



4.5 A) ***Principle of Good Governance:*** **Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.**

To achieve this, the PCC has:

- signed up to a voluntary Code of Conduct;

- ensured that officers and staff carry out their respective roles in a climate of openness, support and respect;
- continued to monitor standards of conduct and personal behaviour which are defined and communicated through appropriate codes of conduct and protocols;
- ensured that counter fraud and corruption policies are in place and monitored accordingly by the Joint Audit Committee (14 March 2023), including briefings for OSPCC staff;
- ensured accessible, appropriate and long-established confidential reporting arrangements and processes in place and that these are regularly reviewed by the Joint Audit Committee;
- ensured that the OSPCC has an up-to-date Freedom of Information Act Publication Scheme and is compliant with the General Data Protection Regulations (GDPR) since inception in May 2018;
- ensured that staff have easy reference to key information that relates to integrity easily accessible through the Force intranet;
- ensured that staff have been provided with and understand training in unconscious bias;
- has continued to hold the Chief Constable to account through the governance and integrity accountability meetings and by undertaking dip-check sampling of complaint files, seeking assurance that conduct and standards matters are well communicated across the OSPCC and Sussex Police and are effectively managed;
- published 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;
- provided responses to all HMICFRS reports which make a recommendation for Sussex or the police service nationally and these are published in the public domain;
- ensured that arrangements are in place for the handling of complaints and reviews (appeals) in light of PCCs responsibilities as set out in the Police & Crime Act 2017;
- continued to work with the Police & Crime Panel to support them in their role;
- continued to review the governance and transparency areas of the website to ensure that it 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;
- continued to manage joint commissioning arrangements with statutory partners to make best use of public funds whilst creating a consistent offer of support to victims across Sussex;
- regularly published PCC and chief officer expenses, gifts and hospitality[8] (received and declined) and outside business interests of officers and staff[9];
- run an effective Independent Custody Visiting Scheme to monitor the rights and treatment of detainees;
- employed a Chief Executive who undertakes the role of Monitoring Officer.

4.6 ***B) Principle of Good Governance:*** **Ensuring openness and comprehensive stakeholder engagement.**

To achieve this, the PCC has:

- Continued to participate and engage with partners at national, regional and local level, together with supporting and contributing to community safety partnerships;
- 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;
- regular liaison meetings with the Council Leaders and Chief Executives from the top tier authorities;
- undertaken regular engagement and provided briefing opportunities for Sussex MPs;

[8] Gifts and hospitality register: https://www.sussex-pcc.gov.uk/about/transparency/lists-and-registers/

[9] Business interests register: https://www.sussex-pcc.gov.uk/about/transparency-complaints/lists-and-registers/

- provided an annual training/engagement session for the High Sheriffs of Sussex on the OSPCC and its role;
- provided a telephone surgery opportunity for members of the public to speak with the PCC;
- continued a rolling programme of consultation across Sussex which included a combination of focus groups, surveys at public events, engagement programme of events and online polls.
- Implemented an annual engagement and communications plan, which has been shared with the office, 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 increased social media coverage;
- undertaken a public survey prior to setting the council tax precept;
- the OSPCC participates in national surveys and polls in association with the Association of Police and Crime Commissioners (APCC).
- held the Chief Constable to account in her delivery of the Force Equality and Diversity Strategy where it relates to engagement with the public;
- continued to manage the nationally accredited Sussex Restorative Justice Partnership in partnership with the Sussex Criminal Justice Board.
- the OSPCC has been subject to an internal audit around Information Governance and Management, including GDPR and the Data Protection Act. The Southern Internal Audit Partnership confirmed the OSPCC received substantial assurance with only one minor observation.

4.7 ***C) Principle of Good Governance:*** **Defining outcomes in terms of sustainable economic, social and environmental benefits.**

To achieve this, the PCC has:

- refreshed and published the Police & Crime Plan setting out her priorities;
- provided an annual report to the Police & Crime Panel setting out her achievements against the plan and publish online;
- reviewed the 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 performance and accountability meetings (PAMs) on Sussex Police's performance against the three public priorities set out in the Police & Crime Plan 2021/24 and the policing and crime objectives contained within. There are usually 11 monthly PAMs held each year [excluding August] and webcast live on the PCC's website for members of the public to view, with summary minutes made available following the conclusion of the meetings. During 2022/23, 10 PAMs were webcast live;
- 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;
- continues to be successful in Home Office applications to secure GRIP funding which is the Sussex Police dedicated response to reduce instances of knife crime and serious violence in the county. Governance and monitoring arrangements are in place with the multi-agency Violence Reduction Partnership Steering Group and the Violence Reduction Executive Board;
- ensured that partnership activity is supported via a dedicated Partnership Support Team who have actively engaged with statutory partners. Over the last 12 months, 130 meetings have been attended including Community Safety Partnerships, Prevent Boards, Tactical Tasking Coordination Groups, Upper Tier Local Authority Strategic Boards, and the Sussex Modern Slavery Network. This also includes partnership meetings across Sussex with local partners to

deliver bespoke programmes of work such as the Safer Streets 4 Programme which involves 26 separate projects. This enables a collaborative response to policing issues and identification of the priorities affecting communities;

- undertaken community safety partnership engagement and support with additional 'themed' events delivered by the PCC and the Partnership Team focusing on local needs. These have been on topics such as road safety, serious violence and community trigger.
- successfully been awarded funding to support the Safer Streets 4 programme which is a time limited Home Office initiative of £1.5m of extra funding to support the Violence Against Women & Girls agenda and tackle Anti-Social behaviour. Two additional fixed term contracted members of staff have joined the OSPCC team as part of a 'task force' to deliver the 26 different projects. Governance is through a dedicated programme board.
- additionally, the PCC has new responsibilities under the Police, Crime, Sentencing and Courts Act 2022 to manage the financial grants, to convene those specified and relevant authorities and to monitor their compliance of the new serious violence duties. The Home Office Crest Advisory, Crime & Justice Consultancy, conducted a serious violence duties readiness assessment of the Sussex Violence Reduction Partnership (VRP) and awarded a 'Mature' grade; evidencing it was delivering national best practice.
- the Sussex PCC has previously invested in key initiatives in support of national strategy issued by the Home Office, an example of this is Modern Slavery when a specific post was funded for a trial period; the learning was taken from this and led to the restructuring of Sussex Police to incorporate three Exploitation Coordinators to manage all facets of exploitation including Modern Slavery;
- The Estates Board have supported development of sustainability and carbon reduction programme.
- Ensured that all commissioned services are subject to minimum quarterly reporting and a common outcome measurement framework has been developed for all victim support services in Sussex.
- Maintains the Safe Space Funding Network to quality assure agencies applying for funding to ensure they meet the standards expected;
- the PCC is the Chair of the Sussex Criminal Justice Board and her staff provide support and attend the sub-groups.

4.8 ***D) Principle of Good Governance:*** **Determining the interventions necessary to optimise the achievement of the intended outcomes.**

To achieve this, the PCC has:

- undertaken an annual review of the corporate governance framework and key high-level governance documents, including the Code of Corporate Governance, revising the Code to align with the new CIPFA guidance published in 2016;
- ensured that there is a risk management strategy and policy, reviewed by the Joint Audit Committee, in place to ensure that threats to the achievement of the PCC's organisational objectives and regional and national responsibilities are identified and managed effectively (reviewed December 2022);
- carried out regular stakeholder engagement events and needs assessments for commissioned services to establish priority areas of demand for support services;
- engaged in the HMICFRS Police inspections debriefs, board and relevant gold group meetings;
- 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;
- ensured that the OPCC has a business continuity plan in place.

4.9 ***E) Principle of Good Governance:*** **Developing the entity's capacity, including the capability of its leadership and the individuals within it.**

To achieve this, the PCC has:

- continued to support 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 all OSPCC staff to make sure they have the knowledge and skills to undertake their roles through regular one-to-one meetings and individual development review meetings;
- held performance reviews with the Chief Constable;
- continued to provide scrutiny of equality and diversity policies;
- ensured that all staff within the OSPCC undertake the NCALT mandatory online training course;
- continued to ensure that regional and research activity takes place with examples of collaboration with Surrey and Kent forces and PCC offices on emerging issues.

4.10 ***F) Principle of Good Governance:*** **Managing risks and performance through robust internal control and strong public financial management.**

To achieve this, the PCC has:

- ensured that data protection and information policies are in place and reflect changes as set out in the General Data Protection Regulation 2018;
- ensured that a risk management strategy and policy is embedded in the governance structure and is used effectively to inform and focus decision making;
- 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 corporate risk register;
- fully cooperated with the Police & Crime Panel requests for working groups to consult them on the budget and precept, Annual Plan, PCC priorities and the commissioning of victims services;
- met monthly at a scheduled Finance and Human Resources Meeting (FaHRM) to review risk and financial performance;
- undertaken a quarterly review of the whole group financial position;
- reviewed financial risks and issues every two weeks throughout the year working closely with the Chief Constable's CFO;
- scrutinised the Chief Constable's financial business cases and procurement through the Chief Finance Officers Board;
- provided scrutiny of resource transfers through the scheme of consent and key financial information including financial regulations;
- published the precept decision, Medium Term Financial Statement and budget;
- published a Treasury Management Strategy setting out the plans and policies for debt and cash management;
- Reviewed the OSPCC Business Continuity Plan on an annual basis;
- published a reserves strategy, setting out the use of reserves by the PCC.

4.11 ***G) Principle of Good Governance:*** **Implementing good practices in transparency, reporting and audit to deliver effective accountability.**

To achieve this, the PCC has:

- ensured that the Force undergoes extensive internal and external inspection and that the results of these inspections are available via the OSPCC website;[10]
- continued to comment on reports published by HMICFRS about Sussex Police[11] in accordance with the statutory requirement;
- worked with the procured internal audit service provider, Southern Internal Audit Partnership, to maximise the effectiveness of regular updates to the Joint Audit Committee;
- undertaken regular engagement with external audit service whose reports are scrutinised by the Joint Audit Committee;
- ensured that information is published to allow appropriate scrutiny of decision making[12];
- ensured that the Force and OSPCC publish their respective Statement of Accounts and Annual Governance Statements;
- ensured that key decisions are published with clear explanations as to how decisions are made;
- published payments over £500, contracts, senior officers pay awards and other disclosures made;[13]
- continued to support the work of the Joint Audit Committee in its role of monitoring governance and internal control.

5 Review of Effectiveness

5.1 The PCC has responsibility for conducting a regular review of the effectiveness of the governance framework, including the system of internal audit and control. This Annual Governance Statement provides a summary of activities undertaken and areas for continuous improvement identified through the PCC's review of the governance arrangements; these have been included in the action plan for 2023-24.

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, governance and human resources matters.

5.3 The review of the evidence for the effectiveness of the governance framework, to confirm that the current arrangements are fit for purpose, was considered by the senior officers at the Finance & Human Resources meeting and the agreed process presented to the March Joint Audit Committee. The review also provided updates and confirmation regarding the completion of areas for improvement identified in 2021/22 Annual Governance Statement.

5.4 Assessments and recommendations made by the internal and external auditors and other review agencies and inspectorates have also informed this review.

5.5 The Joint Audit Committee has been consulted on the development of the Annual Governance Statement. The final statement is considered at Joint Audit Committee meeting on 26 September 2023 for recommendation for approval by the PCC. The Committee aims to ensure there is continuous improvement in the process and endorses the resulting annual action plan. Regular updates on progress to address the areas for improvement are provided to the Committee.

5.6 A process is established to ensure the PCC and the Chief Constable approve and sign off the annual governance statement, in accordance with the CIPFA guidance.

[10] Sussex Police & Crime Commissioner website: https://www.sussex-pcc.gov.uk/about/transparency/pcc-decisions/

[11] Sussex Police website: SPCC - HMICFRS Inspection Reports (sussex-pcc.gov.uk)

[12] Sussex Police & Crime Commissioner website: https://www.sussex-pcc.gov.uk/about/transparency-complaints/how-we-make-decisions/

[13] Sussex Police & Crime Commissioner website: SPCC - Accountability/Expenditure (sussex-pcc.gov.uk)

6 Governance Issues

6.1 No significant concerns were raised during the internal review of the effectiveness of governance arrangements however, a small number of areas for improvement were identified. These improvements, to further enhance the PCC's governance arrangements, are detailed in Appendix A together with the on-going areas for improvement continued from the 2021/22 action plans. The actions to achieve these improvements will be monitored through the Finance and Human Resources meetings and reported to the Joint Audit Committee.

6.2 The internal audit function is carried out by Southern Internal Audit Partnership for both the PCC and the Chief Constable. Audit reviews are undertaken in line with an annual internal audit plan, which is approved by the Joint Audit Committee.

6.3 In 2022/23 no reports received an opinion of no assurance.

6.4 The CIPFA code requires Internal Audit to provide an opinion on the overall adequacy and effectiveness of the governance framework. The OSPCC and Sussex Police's Annual Internal Audit Opinion 2022/23 was reasonable overall and audit testing had demonstrated controls to be working in practice.

The opinions in relation to the OSPCC are set out below;

Internal Audit Opinion:
For the 12 months ended 31 March 2023, the Chief Internal Auditor's opinion for the Office of the Sussex Police & Crime Commissioner is set out in the Audit Results Report.

6.5 Internal Audits 2022/23:
The following internal audits took place during 2022/23;

- OPCC Annual Governance Statement 2021/22
  A reasonable opinion was given with some issues, non-compliance or scope for improvement identified.

- OPCC Information Governance and Management including GDPR and Data Protection Act 2022/23
  A substantial opinion was given with no risks identified. A sound framework of internal control is in place and is operating effectively.

7. Certification

7.1 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 JAC. It represents a fair and reasonable assessment of current arrangements and plans for improvement by the PCC.

7.2 The arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

5 December 2024

Katy Bourne OBE, Sussex Police & Crime Commissioner

5 December 2024

Mark Streater, Chief Executive, Office of the Sussex Police & Crime Commissioner

5 December 2024

Iain McCulloch FCPFA, Chief Finance Officer, Office of the Sussex Police & Crime Commissioner

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Appendix A: Areas for Improvement - Action Plan 2022/23

Ref	*Area for improvement*	*Owner*	*Key milestones/completion dates*
Proposed Areas of improvement identified by the OSPCC for 2021/22 AGS			
1	To conduct a review of the Annual Governance Statement process in line with CIPFA best practice and recommend any changes to JAC to for consideration.	Chief Finance Officer	Reasonable assurance was awarded, with some recommendations detailed within the audit report, which have been taken on board. Completed.
2	CIPFA has published a Police Financial Resilience and MTFP toolkit following the work of The Achieving Finance Excellence in Policing (AFEP) programme under the oversight of the Police Financial Management (FM) Working Group. The document provides a framework and toolkit to review our financial resilience and medium term financial planning capabilities. The Chief Finance Officer and Executive Director will work together to review current practices to ensure their financial resilience and the sustainability are demonstrated. These will be worked into the new MTFS for 2023/24 onwards.	Chief Finance Officer	The CIPFA financial resilience and sustainability index as noted in the toolkit has not been published yet and is expected to be published later in 2023 following consultation with PCC and Police CFO's. Ongoing.
Proposed new Areas of improvement identified by the OSPCC for 2022/23			
1.	To conduct review of grant agreement process undertaken by OSPCC.	Chief Finance Officer	To be undertaken during 2023/24 and completed by December 2023. Signed off in March 2024. Completed.
2.	To undertake a comprehensive review of the website to ensure it meets the accessibility requirements and contains all the required information as detailed within the Elected Local Policing Bodies Specified Information Order 2021 (amended).	Assurance & Complaints Manager/Digital Content & Campaigns Manager	To be undertaken during 2023/24 and completed by December 2024.