



## **ANNUAL GOVERNANCE STATEMENT 2021/22**

<b>Draft version</b>	3.0 Incorporating OPCC & WMP amendments
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## 1. Introduction

The PCC and the Chief Constable are two separate legal entities with separate statutory responsibilities. However, they work together to ensure West Mercia Police is working effectively and is held accountable for the standard of service delivered to the public.

This Annual Governance Statement for 2021/22 explains how the Police and Crime Commissioner (PCC) and Chief Constable for West Mercia Police have complied with their published corporate governance framework for the year ending 31 March 2022.

## 2. Scope of responsibility

The PCC and the Chief Constable are responsible for ensuring that their business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The Police Reform and Social Responsibility Act<sup>1</sup> (the Act) sets out the functions of the Police and Crime Commissioner and Chief Constable and the Policing Protocol<sup>2</sup> sets out how these functions will be undertaken.

The Act requires the Police and Crime Commissioner to have a Chief Executive and Chief Finance Officer (the Treasurer). The Chief Executive is the head of paid service and undertakes the responsibilities of monitoring officer<sup>3</sup>. The Act also requires the Chief Constable to appoint a Chief Finance Officer<sup>4</sup> (the Director of Commercial Services). The Financial Management Code of Practice<sup>5</sup> sets out the responsibilities of the PCC's Chief Finance Officer and Chief Executive and of the Chief Constable's Chief Finance Officer.

The Policing Protocol sets out the high level financial responsibilities of the PCC and the Chief Constable, making clear that the former is ultimately accountable to the public for the management of the Police Fund while the latter has day to day responsibility for managing their allocated budgets after these have been approved by the PCC.

In discharging this overall responsibility, the PCC and Chief Constable are also responsible for putting in place proper arrangements for the governance of their affairs and facilitating the exercise of their functions. This includes ensuring a sound system of governance (incorporating the system of internal control) is maintained through the year and that arrangements are in place for the management of risk.

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<sup>1</sup> PRSRA11, S5-8

<sup>2</sup> Policing Protocol Order 2011

<sup>3</sup> Local Government and Housing Act 1989 S5

<sup>4</sup> PRSRA11, Sch 2 p4

<sup>5</sup> Revised Financial Management Code of Practice for the Police Forces of England and Wales and Fire and Rescue Authorities created under section 4A of the Fire and Rescue Services Act 2004.(July 2018)

The Chief Constable is responsible for operational policing matters, the direction and control of police officers and police staff, and for putting in place proper arrangements for the governance of the force. The PCC is required to hold the Chief Constable to account for the exercise of those functions and those of the persons under the Chief Constable's direction and control. The PCC must satisfy himself that the force has appropriate mechanisms in place for the maintenance of good governance, and that these operate in practice.

A Joint Corporate Governance Framework sets out how governance operates for both the PCC and Chief Constable. The framework consists of:

- Statement of corporate governance – outlining the statutory framework and local policy.
- Code of corporate governance (the Code) – 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.
- Separate policy and procedures for each corporation sole, with protocols where they operate jointly.
- Cooperative arrangements - those arrangements by which the Police and Crime Commissioner and the Chief Constable support the exercise of each other's functions.

The Joint Corporate Governance Framework can be found on the PCC's website [www.westmercia-pcc.gov.uk](http://www.westmercia-pcc.gov.uk) or can be obtained from the Office of the PCC at Hindlip Hall, Hindlip, Worcester, Worcestershire, WR3 8SP.

The Code is consistent with the principles of the CIPFA/SOLACE Framework: 'Delivering Good Governance in Local Government'<sup>6</sup>.

This Annual Governance Statement explains how the PCC and Chief Constable have complied with the Code and the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to conduct a review of the effectiveness of the system of internal control.

### **3. The purpose of the Governance Framework**

The governance framework comprises the systems and processes and culture and values by which the PCC and Chief Constable direct and control, and the activities through which they account to and engage with the community. It enables the PCC and Chief Constable to monitor the achievement of their strategic objectives and to consider whether those objectives have led to the timely 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 level. It cannot eliminate all risk of failure to achieve

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<sup>6</sup> <https://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

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 PCC and Chief Constable's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

## **4. The Governance Framework**

The key elements of the systems and processes that comprise the PCC's and Chief Constable's governance arrangements and how these adhere to the seven principles in the Code are set out below:-

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

The Policing Protocol Order 2011 requires both the PCC and Chief Constable to abide by the seven principles of personal conduct set out on 'Standards in Public Life: First Report of the Committee on Standards in Public Life, commonly known as the *Nolan Principles*. Additionally, the Police Code of Ethics, combines these values with others enshrined in policing, and sets and provides a framework for upholding high standards of conduct and behaviour.

The PCC and his Deputy (DPCC) have both signed a code of conduct based on the principles referred to above. These documents have been published on the PCC's website, along with the declarations of interest of both the PCC and DPCC.

Officers, police staff and staff of the Office of Police and Crime Commissioner operate within:

- Office of the Police and Crime Commissioner and Police Force policy and procedures including those relating to Anti-Fraud and Corruption and Whistleblowing, referred to as the Professional Standards Reporting policy in the Force.
- Corporate Governance Framework,
- Conduct Regulations and Codes of Conduct.

Policies, procedures, regulations and the governance framework are reviewed as appropriate. Notifications of disclosable interests and a register of gifts and hospitality are published on the PCC's and the Force website.

The Force has a Professional Standards Department (PSD) whose role is to protect the public from harm by monitoring and investigating the professional and ethical standards of West Mercia Police. The three main functions of PSD are: the Anti-Corruption Unit, the Misconduct and Complaints Team and the Vetting Unit.

PSD are responsible for the administration of complaints by members of the public against police officers and staff below the rank of Chief Constable. Complaints

against the Chief Constable are dealt with by the PCC. The West Mercia Police and Crime Panel administers formal complaints made against the PCC and Deputy PCC.

In February 2020 regulations<sup>7</sup> came into effect giving PCCs extra responsibilities for reviewing how complaints are dealt with, where the complainant is not happy with the outcome determined through the PSD complaint process. To effectively discharge this duty the PCC has appointed an external qualified body to assess the review, however the final outcome decision is made by an appropriate officer in the PCC's office.

In complying with regulations issued in 2021<sup>8</sup>, the PCC publishes the most recent IOPC quarterly complaints data for the force and the IOPC annual statistics report, alongside a narrative setting out how the PCC is holding the Chief Constable to account, and the PCC's assessment of his own performance in carrying out his other complaints handling functions.

West Mercia Police have established an Internal Ethics Committee responsible for enhancing trust and confidence in the ethical governance and actions of the Force. In doing so the Committee seeks to provide assurance, advice and guidance, and make recommendations to the Chief Constable around decisions, policies and processes.

The West Mercia Joint Audit and Standards Committee (JASC) established by the PCC and the Chief Constable considers issues of standards, ethics and integrity as part of its core function. The JASC is a public meeting and copies of all papers are published on the PCC's website.

Quarterly Professional Standards Department performance meetings are held between the Deputy Chief Constable, Head of the Department and the PCC to coincide with the publication of IOPC performance data to provide oversight and challenge on PSD performance.

The PCC's office hold regular meetings with representatives from the Independent Office for Police Conduct (IOPC) to discuss matters relating to complaint handling and its strategic oversight.

#### **4.2 Principle B: Ensuring openness and comprehensive stakeholder engagement**

The Policing Protocol highlights that the Police and Crime Commissioner 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.

The Police and Crime Plan sets out the strategic direction and objectives of the force.. Following PCC elections in May 2021 the PCC's Safer West Mercia Plan 2021 – 2025 was published in December 2021 following a twelve week public and stakeholder consultation.

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<sup>7</sup> Police (Complaints and Misconduct) Regulations 2020

<sup>8</sup> The Elected Local Policing Bodies (Specified Information) (Amendment) Order 2021

The PCC has published a Communications and Engagement Strategy 2021 – 2024 for his term of office. This sets out the PCC's 7 priorities on how local people will be involved with the PCC and the Chief Constable to ensure they are part of decision making, accountability and future direction.

In February 2022 West Mercia Police agreed a new Corporate Communications and Engagement Strategy. It places an emphasis on two-way communication and engagement with both internal and external audiences. In addition, West Mercia Police has adopted the principles of the National Contact Management Strategy (NCMS) into a local West Mercia Contact Management Strategy. Both strategies are designed to complement and support each other.

In conjunction with West Mercia Police, the PCC has commissioned a public perceptions survey. Members of local communities are being interviewed and asked their thoughts on police visibility, accessibility and integrity on a quarterly basis. In response to Covid the survey moved to a telephone only format in 2020 but was able to maintain a representative sample of around 3000 residents across the West Mercia area during 2021/22. The information the survey provides is used to inform the PCC's Police and Crime Plan and to support decision making within West Mercia Police. The results of the survey are published on the PCC's website.

West Mercia Police undertakes a survey with victims of certain incidents and crime about the services they have received from the police. The surveys seek to measure the satisfaction levels of individuals in a consistent way, allowing comparison to be drawn between different victim groups, service stages, local policing areas and demographic groups. A Survey of domestic abuse victims which had been suspended at the end of March 2020 in response to potential safeguarding issues resulting from the Covid restrictions was reintroduced in April 2021.

During 21/22 the PCC conducted three formal consultations with communities and partners, around the new Police and Crime Plan and the 2022/23 precept. The latter was a two stage consultation. The first stage was to understand the views of the public on a number of policing issues and possible precept scenarios to inform the PCC prior to firming up his draft budget proposals and included an element of face to face consultation. The second stage was specifically on the draft precept and budget proposals.

In addition, the PCC consulted with Town and Parish Council through an annual survey on a range of subjects, including the visibility of local policing, relationships with officers and local crime priorities. The feedback is being used to inform the PCC's and to help identify where and how local police relationships are working well, or if they can be improved.

During 21/22 the Force conducted a formal public consultation around accessing police non-emergency services..

To improve the governance of all public surveys and consultations undertaken within the Force a centralised approach has been implemented to maximise the effectiveness of key consultation exercises and in doing so ensuring agreed surveying principles are applied in a consistent manner.

Social media is widely used by the PCC and the Force as well as more traditional methods of engagement. The PCC actively uses Twitter and Facebook to engage with communities. With the continuing Covid pandemic limiting many face to face public events the PCC and Chief Constable have held 5 road show events, one in each Local Policing Area, to meet with both internal and external stakeholders, including community representatives.

The PCC has continued with a Safer West Mercia Podcast Series to highlight particular areas of policing and services that provide support to victims of crime and to provide practical advice.

The Force has appropriate mechanisms in place for engaging with a variety of stakeholders, partners and the public. The Safer Neighbourhood approach is central to policing in West Mercia and there are Safer Neighbourhood Teams (SNTs) throughout the force area. Police Officers, Police Community Support Officers, Specials and Volunteers work with local communities to address local policing priorities.

In March 2021 the Force launched its Local Policing Community Charter, a document that outlines the force's local policing service offer and its approach to addressing community concerns. The Charter sets out six key themes: visibility and accessibility of neighbourhood policing teams; responding to our communities; prevention; vulnerability; relationships; and partnerships. As part of the charter every town and parish council in West Mercia has been given the opportunity to enter into a *Contact Contract* with the Force to identify and agree the top three local priorities

In support of the Charter the Neighbourhood Matters messaging system, launched in July 2021, enables residents, businesses and community groups to keep in touch with local policing teams. The messages people receive are targeted and based on their location and preferences selected by each individual.

The Force has a number of active Independent Advisory Groups (IAGs). Three are protected characteristic groups which offer specialist advice and guidance to police on diversity issues and the effects on their communities. In addition there five IAGs covering each of the Local Policing areas, inputting into their neighbourhood police services. Members of IAGs act as 'critical friends' to the police, influencing, advising and shaping how the police support and protect communities. Overview of IAGs is provided by a Strategic IAG Board.

The PCC has an annual holding to account programme. The 2021/22 programme included performance, thematic topics and one public meeting on the policing budget. A number of virtual holding to account reports (without a formal meeting) were also submitted by the force in response to PCC requests. Notes of the holding to account meetings held between the PCC and the Chief Constable are published on the PCC's website. The public meetings are also available to view on the website.

The PCC and the Force each has a Publication and FOI scheme in place. All FOIs received by the PCC are dealt with by the PCC's office or passed onto the force by

agreement as appropriate. The PCC and the Force publish the outcome of FOIs they are responsible for on their own website.

The PCC's publication scheme establishes the means by which information relating to decisions will be made available to local people, with those of greater public interest receiving the highest level of prominence, except where operational and legal constraints exist. In 2021/22 benefits realisation has been incorporated into the PCC's decision notices. Key decisions made by the PCC are published on the PCC's website.

The Annual Report sets out how the PCC has exercised his functions in each financial year and the progress which has been made in the financial year in meeting the objectives set out in the police and crime plan. An Annual Report was published in June 2021.

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

The PCC has issued a Police and Crime Plan. It outlines the police and crime objectives and the strategic direction of the Force.

The annual Force Strategic Assessment provides an overview of the external environment that the force operates in; this includes the threat from crime and the changing situation in relation to macro issues such as the political and financial state and how they might impact on communities and how they are policed. A Force Control Strategy for the coming year is developed from the Strategic Assessment findings. This is underpinned by the Force Vision and Values. A revised Vision, Strategic Priorities and Values was introduced in a 'Plan on a Page' document in February 2022.

Collaboration agreements set out those areas of business to be undertaken jointly with other Forces and Local Policing Bodies, whether to reduce cost, increase efficiency or increase capability to protect local people. Statutory partnerships are subject to either contractual agreements or are governed by legislation.

The Force collaborates with policing partners in the West Midlands region (Staffordshire, Warwickshire and West Midlands) in order to combat the national threats identified in the Strategic Policing Requirement. Regional oversight and governance mechanism are established at a senior level, with strategic governance maintained via the Regional Governance Group (RGG). The RGG is attended by the PCC and Chief Constable of each of the four forces and governs the ROCU and the Regional Counter Terrorism Unit and also provides regional scrutiny of the National Police Air Service (NPAS).

The Medium Term Financial Plan (MTFP) ensure that planned activities to support the objectives of the PCC and Chief Constable are financially sustainable. The MTFP, prepared by the Treasurer and Director of Commercial Services, is monitored closely throughout the year, and reviewed and updated formerly as part of the budget setting process each year.

The PCC's grant scheme is based on identified need with clear outcomes. The approach is set out in the Commissioning and Grants, including a requirement for service providers demonstrate where their services can add social value, and this forms part of the assessment process in line with the Public Services (Social Value) Act 2012.

#### **4.5 Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes**

The PCC's Safer West Mercia Plan outlines the police and crime objectives (outcomes) and the strategic direction for the policing of the Force area. The PCC has developed a delivery plan which sets out monitoring and progress against the commitments within the Plan. This programme is subject to internal scrutiny at the monthly PCC Office Governance Board and external scrutiny by West Mercia Police and Crime Panel.

The Treasurer and the Director of Commercial Services produce and maintain the Medium Term Financial Plan (MTFP), which supports delivery of the Safer West Mercia Plan and is integrated into Force business plans. The MTFP, West Mercia Strategic Assessment and Force Management Statement inform the business planning cycle. The MTFP is monitored throughout the year and reviewed and updated formerly as part of the budget setting process each year.

The Force has implemented a Business Planning Process to undertake an extensive review of all the force's services and the resources required to delivering those services. The process sets out the baseline service delivered, expected increases in demand in services and where efficiencies can be made. It also provides a methodology for prioritising service delivery to ensure the budget is balanced. The Force present a budget proposal to the PCC to inform the development of the final budget requirement.

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 (including segregation of duties), management supervision, and a system of delegation and accountability.

The Force has established a Change and Transformation Board to govern its Change and Transformation Programme,. This Board scrutinises performance management and proposed investment decisions and monitors both costs and benefits, ensuring these are aligned to the strategic objectives and are delivered efficient and effectively. The Board meets monthly. It is chaired by the Deputy Chief Constable and includes senior officers and managers from the Force and a representative of the PCC.

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

The PCC and Chief Constable ensure 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 organisation. Specialist advice is sourced externally as required.

The Corporate Governance Framework provides a clear statement of respective roles and responsibilities and how they are delegated.

The PCC has implemented a staffing structure within the OPCC to ensure it has the necessary capability and capacity to support him deliver his statutory functions, such as commissioning services for victims and witnesses.

Chief Officers have clearly defined leadership roles and are responsible for implementing strategy and managing the delivery of services within their respective portfolios.

The OPCC and force training strategies set the climate for continued professional 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 also included within the Police and Crime Plan.

In 2021 West Mercia Police published its Diversity, Equality and Inclusion (DE&I) Strategy 2021-2025. The Strategy consists of three pillars; Organisation, Communities and Partners. Governance of the DE&I Strategy is via a newly established Strategic Inclusion Board, chaired by the Chief Constable.

The PCC is a member of the national Association of Police and Crime Commissioners (APCC). The Chief Officers of West Mercia Police are members of the National Police Chiefs' Council (NPCC).

#### **4.7 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 PCCs office are effectively and appropriately identified, evaluated and reported.

The force has a system of risk identification and escalation, centrally overseen with clear ownership in the relevant business areas and at the appropriate level to manage risks. This is updated bi-monthly and reported to directorate meetings and the Executive Board. A complementary system of risk management is in place for the change programme recognising the different nature of risk in developmental activity.

During 2021/22 the PCC's risk management framework was reviewed, to move towards a reporting structure where strategic risks are reported to the PCC and JASC for consideration. The revised framework is designed to capture risk and make sure that the focus is placed on those risks which are most likely to impact on the PCCs ability to deliver services.

The strategic risks registers of the PCC and Force are reviewed on a regular basis and are subject to scrutiny by the Joint Audit and Standards Committee.

The force has a performance framework which uses a reporting hierarchy to monitor performance across the whole organisation at gold (strategic), silver (service) and (bronze) operational levels. The Force produces a number of performance products in support of the framework Force performance is reviewed as part of the quarterly Force Delivery Group (FDG) meeting.

In conjunction with the Force, the PCC has identified a suite of performance metrics to monitor progress against the commitments in the Safer West Mercia Plan, including the National Priorities for Policing. Existing performance products, including the West Mercia Police Quarterly Performance Report will be used to report against the agreed metrics.

In complying with regulations issued in 2021<sup>9</sup>, the Police and Crime Commissioner is required to provide a statement on the contribution of West Mercia Police to achieving improvements against the national policing priorities. This statement is published on the PCC's website and subject to review in line with requirements set out in the regulations.

The PCC has a duty to hold the Chief Constable to account for the performance of West Mercia Police. The PCC has implemented a holding to Account programme that provides a clear and robust way to enable the PCC to closely scrutinise key areas of the force and to hold the Chief Constable to account for ensuring the force's efficiency and effectiveness.

The Corporate Governance Framework sets out the parameters for decision making, including the delegations, consents, financial limits for specific matters and for contracts. The West Mercia Governance Board has been established to govern West Mercia Police and the Office of the Police and Crime Commissioner. The Board meets on a month and aims to:

1. To ensure that:
  - There is the right vision, mission, objectives, culture and strategy to achieve the organisations' purposes
  - There are good, robust processes for formulating and adapting these
  - The agreed strategies are being implemented and monitored and if there is divergence then appropriate and timely action is taken
2. To ensure that the organisations have the right resources in the right places to deliver the strategies
3. To ensure there are the right systems of good governance to ensure the organisations and their resources are well directed and controlled.

The PCC maintains a separate PCC Office Governance Board to govern the activity of the OPCC in delivering the Safer West Mercia Plan. The main decision making meeting for the force is the Executive Board, which meets monthly and is chaired by

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<sup>9</sup> The Elected Local Policing Bodies (Specified Information) (Amendment) Order 2021

the Chief Constable. The Board receives regular reports on operational performance and the financial position.

During 2021/22 the programmes for the West Mercia Governance Board, Executive Board and the PCC's Office Governance Board have been re-structured to include a formal review of activity and forward planning aligned to one of the four central pillars of the PCC's Safer West Mercia Plan and a thematic deep dive on an agreed area of focus. This coordinated approach provides for more effective discussion and oversight of key issues, strengthening governance arrangements.

An Estates Governance Board has been established to govern the management of the property estates following the closure of Place Partnership Limited (PPL). The Board meets on a monthly basis to ensure provision of an efficient and effective estate that supports the delivery of the Safer West Mercia Plan and policing priorities. Any matters requiring resolution by both Police and Crime Commissioner and Chief Constable are escalated to the West Mercia Governance Board.

A Joint Audit and Committee (JASC) operates in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidance and the Home Office Financial Management Code of Practice. The JASC's main role is to provide assurance to the PCC and Chief Constable that the corporate internal control and governance framework, including risk management, is operating adequately and effectively. As part of its annual work programme the Committee receives regular updates on internal and external audit, HMICFRS inspections and treasury management. The papers and minutes are published on the PCC's website.

Warwickshire County Council are commissioned by the PCC and Chief Constable to provide internal audit functions, conducting independent and impartial audits of PCC and Police processes.

The PCC and Force manage information in accordance with the Data Protection Act 2018 and the General Data Protection Regulation, the Freedom of Information Act 2000 and the Code of Practice on the Management of Police Information. This is overseen by the Audit, Assurance and Compliance Board chaired by the Deputy Chief Constable (who also holds the position of Senior Information Risk Owner). The Force's Information Compliance Unit provides professional advice on information compliance for both the PCC and the Force and ensures that appropriate policies and procedures are in place. The Force's Data Protection Officer (DPO) provides this function for the PCC.

Mandatory GDPR and data management training is in place for all officers, staff and volunteers who have access to information and completion rates are monitored by the Audit, Assurance and Compliance Board.

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.

The financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer of the PCC and the Chief Financial Officer of the Chief Constable (March 2014).

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

The PCC has produced and published an annual report which details performance against objectives for the previous year.

The PCC's decisions and actions are scrutinised by the West Mercia Police and Crime Panel. In 2021/22 this has included:

- approving the new Safer West Mercia Plan 2021 – 2025
- approving the precept for 22/23,
- approving the appointment of a new Chief Constable,
- approving the reappointment of the Deputy PCC following the PCC's re election in May 2021
- the appointment of a new Treasurer
- making recommendations on the annual report
- receiving a quarterly performance report detailing activity in support of the Plan and on force performance.

Information published on the PCC's website is in accordance with the Elected Local Policing Bodies (Specification Information) Order 2011 as amended. The PCC's 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. Decisions of significant public interest made by the PCC are published in a standard easily accessible format.

The PCC and Chief Constable have appointed internal and external auditors. Audit recommendations are reported to the Joint Audit and Standards Committee.

Both the PCC and Force are subject to external independent scrutiny and review, through the external audit of their financial statements, systems and management arrangements, and through the inspection of policing performance by HMICFRS. Audit and inspection reports are published by the PCC.

The Force are required to prepare Force Management Statement (FMS) each year by HMICFRS. The FMS is a self-assessment used to inform the business planning cycle of the organisation. The FMS provides an assessment of current and future demand and how the force will adapt to meet the demand including an assessment of risk of service failure and the financial resources required.

## **5. Review of effectiveness**

The PCC and Chief Constable have 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 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.

## **5.1 PCC**

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 Joint Audit and Standards Committee who discuss governance issues, referring reports to the PCC when necessary.

## **5.2 West Mercia 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, the Head of Internal Audit and the Risk and Assurance managers within the Force who have responsibility for the development and maintenance of the governance environment.

## **5.3 Joint Audit and Standards Committee**

The Joint Audit and Standards Committee receives regular reports on governance issues. This will include the review of the Annual Governance Statement for inclusion in the Annual Statement of Accounts and update reports on progress made in addressing significant governance issues included in it.

The Joint Audit and Standards committee receives regular reports on policy and procedure, decision making, leadership, culture, people, performance and conduct. This also includes update reports on progress made in addressing any significant issues identified.

## **5.4 Head of Internal Audit**

In maintaining and reviewing the governance framework, the Treasurer and the Head of Commercial services place reliance on the work undertaken by Internal Audit and in particular, the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the system of internal control. The internal audit service is compliant with all CIPFA and industry requirements and standards. The Joint Audit and Standards Committee reviews internal audit performance.

The annual audit plan is agreed in advance with regard given to known risks and previous audit findings. The plan is flexed during the year to reflect emerging issues.

## **5.5 External Audit and other external review bodies**

External Audit are an essential element in ensuring public accountability and stewardship of public resources and the corporate governance of the PCC and Chief Constable's services, with their annual governance report particularly providing comment on financial aspects of corporate governance, performance management, value for money and other reports.

The External Auditors issued their draft audit report in November 2021. The External Auditors issued an unqualified opinion on both the 2020/21 Statement of Accounts and their overall Value for Money conclusion for both the PCC and the Force.

## **HMICFRS**

During 2021/22 HMICFRS published a number of reports with respect to inspection activity, research or super-complaints however no specific West Mercia Police reports were published within the financial year. All recommendations and areas for improvement identified in inspection reports are considered by the Force via the Service Improvement Board which is attended by the PCC's office. All reports are publicly available on the HMICFRS website.

## **Police and Crime Panel**

The Police and Crime Panel provides checks and balances in relation to the performance of the PCC and scrutinises the PCC's exercise of his statutory functions. The Panel is independent of the PCC.

## **6. Significant governance issues**

### **6.1 Significant governance issues 2021-22**

In the last AGS no significant governance issues as defined by CIPFA for business as usual activity were identified, however a number of areas were identified to be addressed during 2021 – 22. These were:

<b>Issues identified</b>	<b>Mitigating activity</b>
Further developing and supporting the role of the Joint Audit and Standards committee particularly in relation to standards	<ul style="list-style-type: none"> <li>• Lead Committee member identified</li> <li>• Standards report submitted to JASC</li> </ul>
Ensuring transition of the shared IT services by September 2021 and moving any residual IT services required by Warwickshire Police onto a hosted model.	Residual IT services were successfully moved to a hosted model as planned in September 2021. Noticed was given on the 30 <sup>th</sup> March 2022 that Warwickshire would leave the hosted service arrangement in June 2022.
Implementation of the Force transformation programme and monitoring of the business realisation and delivery of savings.	Governance of the Change Programme through the Change and Transformation Board

The major investigation into allegations of manslaughter and corporate manslaughter at an NHS Trust.	<ul style="list-style-type: none"> <li>• Successful bid for Home Office Special Grant awarded.</li> <li>• Position papers submitted to West Mercia Governance Board</li> </ul>
Embedding of the new governance arrangements for the management of the property estates following the closure of Place Partnership Limited (PPL)	Estates Governance Board established, chaired by the PCC, reporting to the West Mercia Governance Board. Monthly Portfolio Status Report to feed into C&T.

## 6.2 Impact of Covid 19

The Covid 19 pandemic did not result in any significant changes or impacts on the governance arrangements. All key meetings continued, although had to adapt to virtual ways of working. As Covid restrictions have been eased and removed, the two organisations have moved to a 'business as usual' approach. Virtual meeting platforms and dial in facilities continue to be utilised in a blended approach along with in-person meetings. Importantly for both organisations this facilitates engagement and interaction with those partners and stakeholders who have retained virtual working arrangements to varying degrees.

The force command structure established for the pandemic, with defined gold, silver and bronze levels of command and responsibility was stood down in July 2021, however, organisational learning from the pandemic has been captured and mapped and mechanisms are in place to reinstate the structure if required.

## 6.3 Potential significant governance issues 2022 – 23

We do not consider there to be significant governance issues in accordance with the CIPFA definition.

We will however closely monitor the following during 2022-23 to ensure that good governance is maintained:

- Appointment of a new head of paid service and monitoring officer for the PCC's office.
- Implementation of the Force transformation programme and monitoring of the business realisation and delivery of savings
- Respond to the outcomes of the PEEL report which is to be published in April 2022.
- Continue to plan and identify opportunities to mitigate the impact of price and demand pressures on the budget for 2022/23 budget which was set in February 2022.

## 7. Conclusion and commitment statement

We are satisfied that this report is an accurate commentary on the governance arrangements in place in the PCCs office and Force and of their effectiveness during this period.

We shall continue to ensure all the necessary steps are taken to scrutinise and implement effective governance during 2022-23 and that the areas identified in 6.3 are suitably addressed.

Signed

John Champion  
Police and Crime Commissioner  
West Mercia

Pippa Mills  
Chief Constable  
West Mercia Police

Paul Benfield  
Treasurer  
West Mercia OPCC

Richard Muirhead  
Director of Commercial Services  
West Mercia Police

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Deputy Chief Executive  
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