

# **ANNUAL GOVERNANCE STATEMENT FOR THE POLICE AND CRIME COMMISSIONER FOR WEST YORKSHIRE AND GROUP**

This annual governance statement reflects both the governance framework put in place for the Police and Crime Commissioner (PCC) for the year ended 31 March 2014, including plans for the financial year 2014/15.

## **1. SCOPE OF RESPONSIBILITIES**

The PCC for West Yorkshire is responsible for ensuring that business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The PCC also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the PCC is also responsible for putting in place proper arrangements for the governance of the group's affairs and facilitating the exercise of its functions. This includes ensuring that a sound system of internal control is maintained through the year 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 PCC is currently reviewing the code of corporate governance to ensure it reflects the new governance arrangements. The revised code will be consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government. A copy will be made available on the website at [www.westyorkshire-pcc.gov.uk](http://www.westyorkshire-pcc.gov.uk) or one can be obtained from the Chief Executive, Ploughland House, 62 George Street, Wakefield, WF1 1DL.

This statement explains how the PCC has complied with the principles of the code and also meets the requirements of regulation 4 of the Accounts and Audit (England) Regulations 2011 in relation to the publication of an annual governance statement.

In drafting the PCC Annual Governance Statement reliance has been placed on the governance processes within West Yorkshire Police (WYP), as reflected in the WYP Annual Governance Statement which is published alongside the accounts of the Chief Constable.

## **2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK**

The governance framework comprises the systems and processes, and culture and values by which the PCC Group is directed and controlled and the activities through which it accounts to and engages with the community. The framework enables the PCC to monitor the achievement of Group 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 ongoing process designed to identify and prioritise the risks to the achievement of the PCC'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.

### **3. THE GOVERNANCE FRAMEWORK**

The key elements that comprise the governance arrangements that have been put in place for the PCC and WYP include:

#### **Identifying and communicating the Police and Crime Commissioner's vision of his purpose and intended outcomes for citizens and service users as set out in his refreshed Police and Crime Plan.**

The PCC made his commitments for policing clear in his election pledges and has set out further commitments in his revised Police and Crime Plan 2014-2018 which sets out a strategic vision for policing, community safety and joint working with the wider criminal justice system across West Yorkshire over the next five years. In doing so he has had regard to the Strategic Policing Requirement and the plan was developed in close consultation with the public of West Yorkshire as well as a wide range of key stakeholders and partners.

The PCC has formed a Partnership Executive Group<sup>1</sup> with a membership at strategic level from policing, community safety, the wider criminal justice system, victims and third sector organisations. The PEG plays a key role in developing this strategic vision and the Police and Crime Panel (PCP) were also rightly consulted on the Plan.

The Police and Crime Plan is based on the PCC's Community Outcomes Framework, a shared vision with partners, and has the overall aim of ensuring that communities in West Yorkshire are safer and feel safer. Local priorities have been set in consultation with individuals and organisations and community safety partnerships which sit within the Plan.

The Plan has been communicated widely via media (including social media such as Facebook, Twitter, You Tube), existing contacts and events and groups attended by the PCC or PCC representatives.

#### **Reviewing the PCC's vision and strategy and its implications for governance arrangements**

The Partnership Executive Group (PEG) is consulted around the delivery of the Police and Crime Plan and the group provides the steer for this. Reviewing and renewing the vision and strategy as set out in the Police and Crime Plan will be ongoing as the PCC continues to consult with the Partnership Executive Group but also with a wide range of partners delivering on the ground, community groups and projects, public engagement and consultation events conducted by the PCC but also the Office of the PCC (OPCC).

The partnership structure is now well established with regular meetings held, terms of reference agreed and decision making taking place to support the delivery of the Police and Crime Plan.

The Partnership Executive Group (PEG) receives quarterly updates from the West Yorkshire Community Safety Forum, Third Sector Advisory Group and the Delivery Group sub-group..

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<sup>1</sup>The PEG is made up of representatives from the following: AWYA; Community Safety Partnerships; Crown Prosecution Service; Joint Independent Audit Committee; Local Authorities; Local Criminal Justice Board; NHS England; Police and Crime Commissioner; Police and Crime Panel; Prison Service; Public Health; Victim Support; Voluntary Action Leeds on behalf of Third Sector organisations in West Yorkshire; West Yorkshire Fire & Rescue Authority; West Yorkshire Police; West Yorkshire Probation Trust; Youth Offending Teams.

There are regular strategic planning days with the Chief Officer Team (COT) to look at how WYP can best deliver on the priorities in the Plan. A project was established under the strategic direction of the PCC and the Chief Constable to look at Stage 2 Transfer and how the future employment and direction and control of police staff can best serve the interests of the people of West Yorkshire. This is now in the final stages of implementation.

This will all be done in consultation with the Police and Crime Panel and appropriate Stakeholders, for example, the Unions and Staff Associations.

## **Monitoring performance against operational, financial and other strategic plans**

The PCC monitors performance and delivery of police and crime plan outcomes at a monthly Accountability Meeting, which comprises all senior leaders in the force. The PCC also holds the Chief Constable to account at Community Outcomes Meetings (COM). These are now held formally every week and are reported publicly via the website.

A performance management framework has been established by the OPCC, which includes monthly and quarterly reporting on indicators, commitments and wider relevant information. The police force now presents a performance report to a Community Outcomes Meeting (COM) once a quarter, allowing the PCC to challenge performance and ask key questions based not only on the force report but on issues identified through the wider scanning by the OPCC.

## **National and Regional Performance**

West Yorkshire is the lead local policing body and force for the National Police Air Service (NPAS). The primary objective of the NPAS project is to deliver a national service that provides the police service with capability from the air that maximises the benefits of air support to the delivery of frontline services, is achieved at lower cost than the current service (which is managed at a local level), is an integrated part of the wider policing strategy and harnesses innovation in the aviation sector for the benefits of policing.

The PCC has established a Local Strategic Board which meets quarterly. Performance is scrutinised at these meetings along with progress to date, the development of the service and the consideration of other relevant information. A National Strategic Board also meets quarterly and provides governance, oversight and strategic direction on behalf of all Policing Bodies using the service. The West Yorkshire PCC chairs this Board.

The PCC also engages in collaborative working in partnership with the Yorkshire and Humber Policing Bodies to deliver a number of specific services on a regional basis. The activities are undertaken under the joint control of the regional PCCs.

Regional collaboration is funded from contributions made by the four PCCs with the level of contribution being dependant upon the assessment of the benefit to be derived from each specific project or initiative.

The PCC is a member of the Regional Collaboration Board, the members of which jointly manage Regional performance, delivery and benefits realisation.

## **Measuring the quality of services for users, to ensure that they are delivered in accordance with the Police and Crime Commissioner's objectives and represent best use of resources**

The PCC manages a comprehensive survey programme that produces reliable and independent information at a neighbourhood level to assess public satisfaction with policing and to understand local priorities and concerns.

For the financial year of 2013/14 16,342 completed questionnaires were returned from members of the public. This represents a 15% response rate.

In addition to this, the Listening to You First survey was undertaken in November 2013, which looked at local priorities, experiences of being a victim and feelings of safety. 1,144 responses were received and these results fed into the Police and Crime Plan and budget setting process. There are plans to repeat a similar exercise later in the year.

Consultation around feelings of safety and local safety concerns is also undertaken at a wide range of events across West Yorkshire. Over the last year the PCC has visited 180 community groups and neighbourhood policing areas and met with 201 partner organisations to better understand local policing and community safety needs to inform the work of the OPCC and partners in making sure our communities are safer and feel safer.

Staff in the OPCC, with the PCC, also engage regularly in our communities and have attended major events such as Bradford, Leeds and Wakefield Prides, Pudsey Carnival, Beeston Festival, Harold Park Gala, the Emergency Services Open Day and Great Horton Community Festival.

To keep communities informed of the decisions that may affect them the OPCC is active on social media, communicating via Twitter and Facebook and through an electronic newsletter. People are encouraged to put forward their views via the website, Facebook and on Twitter.

A Casework team handles the majority of daily contact with the Office of the Police and Crime Commissioner, which amounts to around 100 new cases a month. Specialist software assists with effective case management and reporting in order to identify common issues that members of the public are raising with the office.

An additional avenue for people to raise issues with the PCC is via monthly surgeries. These are held in various locations across West Yorkshire offering appointments for constituents to have face-to-face discussion with the Police and Crime Commissioner as well as additional appointments at the office.

## **Risk Management Processes**

The OPCC maintains its own risk register which focuses on key risks associated with delivery of the Police and Crime Plan, and the working of the Office. The PCC also maintains strategic oversight of risk management arrangements in force through attendance at the Risk Management Group chaired by the Deputy Chief Constable and via reports to the Joint Independent Audit Committee.

Wherever possible the PCC and WYP Risk Management strategy and processes have been aligned. Although the risk registers remain separate a consistent approach to the scoring and prioritising of risks has been agreed. In order to further embed risk management processes within the OPCC the strategic risk register for the PCC is now reported quarterly to the OPCC Executive Leadership Team. Risk and insurance are closely linked, and insurance policies arranged where appropriate.

The OPCC is currently in the process of developing an assurance framework document which will feed into the risk management process and assist with monitoring the overall governance arrangements.

## **Defining and documenting the roles and responsibilities of the Police and Crime Commissioner and WYP and its senior officers, setting out clear delegation arrangements and protocols for effective communication, and arrangements for challenging and scrutinising WYP activity**

The PCC's Scheme of Delegation, Financial Regulations and Contract Regulations have been developed in accordance with the Home Office Financial Management Code of Practice to enable effective accountability and govern the relationship between the PCC and WYP. There is a decision making framework which ensures that all decisions by the PCC are published and available for public scrutiny. The Chief Constable also has a Scheme of Delegation for his officers which is consistent with the framework set by the PCC.

## **Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members, officers and staff**

There is an officer code of conduct which was reviewed as part of the preparations for transition to the new governance framework. In line with legislative changes the Monitoring Officer for the PCC is the Chief Executive and Solicitor who chairs the Good Governance Group. The PCC and CC have adopted a joint business interests and voluntary working policy.

## **Reviewing and updating standing orders and supporting documentation, which clearly define how decisions are taken and processes and controls required to manage risk.**

The PCC's Scheme of Delegation and Financial regulations, incorporating Contract Standing Orders are regularly reviewed. They are currently being updated to reflect the changes brought about by the Stage 2 transfer. A memorandum of understanding is being developed in relation to working arrangements by shared services staff. A review of shared services governance arrangements is commencing in the near future.

The Risk Management policy is in the process of being updated to reflect the needs of each separate organisation under stage two.

## **Undertaking the core functions of an Audit Committee**

The Joint Independent Audit Committee undertakes the core functions of an Audit Committee, and in line with CIPFA guidance considers issues in relation to internal control, risk management and Treasury Management. The Committee receives regular reports from both internal and external audit.

It provides independent assurance to both the PCC and the Chief Constable on the adequacy of the corporate governance and risk management arrangements and the associated control environment.

## **Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.**

The PCC has a duty to ensure that the Group acts in accordance with the law and associated regulations. The Monitoring Officer and Chief Finance Officer have statutory responsibilities in this regard, and Internal Audit provides an assurance function and an annual independent objective opinion on the control environment, comprising risk management, internal control and governance.

All decision notices taken to the PCC include an analysis of any legal implications. Decisions made by the PCC are published on the website.

## **Whistleblowing and receiving and investigating complaints from the public and handling citizen and other redress**

A confidential reporting policy is in place to enable officers and staff to report any concerns about malpractice or unlawful actions without fear of recrimination.

The PCC has made a commitment to putting things right and has a range of policies in order to deal with public complaints. Further resources are being devoted to case work and complaint handling with the creation of specific email addresses and briefing and decision templates to record the action taken by the PCC. Public surgeries are arranged on a monthly basis where individuals can make an appointment to raise issues with the PCC.

Complaint handling in WYP is monitored in regular meetings between the Chief Executive and the Head of Professional Standards Department or the Independent Police Complaints Commissioner (IPCC). Specific case work or complaint matters are raised in Community Outcomes Meetings between the PCC and the Chief Constable as are trends and statistical data down to district level. Internal Audit continues to dip-sample complaint files and the PCC is represented on the Independent Advisory Group for the Professional Standards Department.

Matters which are contentious, repercussive or novel are required to be notified to the Police and Crime Commissioner as part of his Scheme of Consent and any material matters are raised in quarterly meetings of the PCC's Good Governance Group chaired by the Chief Executive.

## **Determining the conditions of employment and remuneration of officers and staff**

There are national terms and conditions for police officers, and an approved job evaluation scheme is in place for police staff based upon role profiles for each post. Regular strategic and local consultation is undertaken with staff associations and trade unions.

The PCC has made a commitment to observe the provisions of the trade unions' Police Staff Employment Charter and has received an assurance from the Chief Constable that, as the new employer of police civilian staff, he will observe a similar scheme.

## **Identifying the development needs of members and officers in relation to their strategic roles, supported by appropriate training**

There is a performance development review process in place which sets objectives and identifies training needs.

A programme of activity took place in advance of the transition to the new governance arrangements, including the development by staff of what is now the OPCC of a framework in conjunction with Skills for Justice, using National Occupational Standards and based on the functions required by the OPCC in supporting the PCC to fulfil his role and responsibilities, supported by identification of personal qualities required of officers at different levels.

Members of the Joint Independent Audit Committee undertake development on a regular basis appropriate to their role.

## **Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation**

The PCC launched the 'Listening to You First' consultation in the first week of taking office and repeated again in November 2013 to properly understand the needs and priorities of all people across West Yorkshire. This was a wide ranging consultation that included a survey sent to existing contacts, community groups and key stakeholders. It was also promoted via media and social media sources. Stakeholder roundtable events have been held in each of the districts and a conference on hate crime.

The PCC intends to build on his web and social media based consultation and has set up a Youth Advisory Group as he committed to during the election campaign and again in the Police and Crime Plan. The PCC continues to be public facing and engage with all sections of the community, partners and stakeholders to make sure that he is accountable day to day to the people he serves and continues to consult regularly and meaningfully with the people of West Yorkshire.

The Deputy PCC has direct oversight of external affairs including communication and stakeholder engagement.

## **Incorporating good governance arrangements in respect of partnerships and other group working, and reflecting these in the Police and Crime Commissioner's overall governance arrangements**

A key strength of the PCCs planning is the engagement of a wide range of partners, stakeholders and members of the public in setting his strategic direction. During the year the PCC has held a number of partnership events to assist both statutory and voluntary sector organisations in adapting to the new ways of working.

The PCC agreed to continue the good practice by involving a wide range of partners and members of the public in the refresh of his Police and Crime Plan. The Listening to You campaign began in November 2013 and was completed prior to publication. The findings from discussions, stakeholder events and survey findings complemented a strategic need analysis to inform the refresh of the Police and Crime Plan for West Yorkshire which was published on 7 May 2014.

The Police and Crime Panel both supports the work of the PCC and provides scrutiny on the delivery of the Police and Crime Plan on behalf of the people of West Yorkshire.

The Panel has a number of key statutory functions:

- to review and provide a report on the Annual Report and the Police and Crime Plan;
- to hold Confirmation Hearings for the posts of Deputy Police and Crime Commissioner, Chief Executive and Chief Finance Officer
- to agree the appointment of Chief Constable (with the power to veto)
- to agree the precept (with the power to veto)

In its first full financial year the Police and Crime Panel held a Confirmation Hearing on the appointment of Deputy Police and Crime Commissioner, agreed to the PCCs precept proposals, and reviewed the draft Police and Crime Plan providing supportive feedback in the report to the Police and Crime Commissioner.

## **Role of the Chief Financial Officer in Local Government**

CIPFA has published a "Statement of the Role of the Chief Financial Officer in Local Government" which describes the role and responsibilities of the CFO and sets out five key principles that define the core activities and behaviours that underpin the role, and the organisational arrangements required to support them. There is an expectation that authorities will comply with the statement or explain their reasons for not doing so.

The five key principles are that the CFO:

- Is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest
- Must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the authority's overall financial strategy
- Must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively
- Must lead and direct a finance function that is resourced to be fit for purpose
- Must be professionally qualified and suitably experienced.

The Chief Finance Officer undertakes the role of CFO in accordance with the arrangements detailed in the Home Office Financial Management Code of Practice, and in compliance with the CIPFA statement.

## **Review of Effectiveness**

The PCC has responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including the system of internal audit and the system of internal control. These reviews are informed by the work of internal audit and also managers within the OPCC who have the responsibility for the development and maintenance of the governance environment. In addition comments made by the external auditors and other review agencies and inspectorates have informed this review.

The roles and processes applied in maintaining and reviewing the effectiveness of the governance framework are outlined below:

The PCC has overall responsibility for the discharge of all the powers and duties placed upon him and has a statutory duty 'to maintain an efficient and effective police force'. The Joint Independent Audit considers the adequacy of the governance framework, referring matters to the PCC and/or Chief Constable as appropriate.

The Chief Constable has responsibility for conducting a review of the effectiveness of the governance framework within WYP at least annually. This review is informed by the work of the Assistant Chief Officer (Finance and Business Services), the Head of Risk and Insurance and managers within the WYP who have responsibility for the development and maintenance of the governance environment. In preparing the Annual Governance Statement for 2013/14 the PCC has placed reliance on this review and the Annual Governance Statement of the WYP.

Complaints against the PCC are the responsibility of the Police and Crime Panel for West Yorkshire or, in the case of serious (i.e. allegations of a criminal nature) are under the jurisdiction of the Independent Police Complaints Commission (IPCC).

Internal Audit provided an independent opinion on the adequacy and effectiveness of the system of internal control and concluded that reasonable assurance can be given regarding the overall internal control environment but with limited assurance in some key areas.

In summary the most significant area of concern identified by Internal Audit during 2013/14 related to evidential property. This is an area which has caused concern over a number of years, and was regularly reported upon to the former WYPA Audit and Risk Committee, and more recently to the Joint Independent Audit Committee.

Internal Audit has been provided with assurances that weaknesses in the system and/or its operation are being addressed. The Internal Audit team are currently liaising with the force regarding the management of all types of property as part of a Programme of Change review. This should ensure that necessary process and cultural changes are made in relation to the handling of property. Internal Audit work in this area is included in the 2014/15 audit plan.

In the Annual Audit Letter for 2012/13, the external auditor reported that he had issued an unqualified opinion on the Statement of Accounts and an unqualified conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in use of resources. He also reported that he had not identified any significant weaknesses in the Authority's internal control arrangements.

## **Significant Governance Issues**

Significant governance issues are defined as

- An issue which has prevented or seriously prejudiced achievement of a principal objective
- An issue where additional funding has had to be sought in order to resolve it
- An issue which has resulted in a material impact on the accounts
- An issue which the Head of Audit and Risk has specifically highlighted in the annual audit opinion
- An issue which has attracted significant public interest and has damaged the reputation of the PCC and/or WYP
- An issue which has resulted in formal action being taken by the Chief Finance Officer and/or the Monitoring Officer.

In the face of a need to increase public confidence and trust in the governance and oversight of ethical and integrity issues, arising from internal and external scrutiny of policing activity, the during 2013 the PCC instigated a strategic review of the arrangements for, and approach to, handling complaints and conduct matters within the WYP and the extent to which they support the West Yorkshire Police and Crime Plan 2013-2018.

The outcome of the review is available at <http://www.westyorkshire-pcc.gov.uk/putting-things-right>.

Catherine Crawford, former Chief Executive of the Metropolitan Police Authority and the Mayor's Office for Policing and Crime, was asked to undertake this review and has made a number of observations of ways to improve public trust and confidence in the handling of police complaints, and this has been further refined by work undertaken recently by IPCC. Work is ongoing, in conjunction with the Chief Constable, to develop and implement changes to the way that complaints are dealt with. This is supported by a review of the capability and capacity of West Yorkshire professional standards functions, to be undertaken by HMI and a research project, to be undertaken by the University of Sheffield, into the implementation of the new code of ethics in police forces in Yorkshire and the Humber. The Chief Executive has also met with the Police Investigations and Review Commissioner for Scotland and the Lord Advocate to better understand the lessons that can be learned across jurisdictions. He also sits on the Police Advisory Board of England and Wales Chief Officer Disciplinary Subcommittee and two Home Office boards which are reviewing the legislation governing police conduct procedures. The Chief Executive has also contributed to a training programme for newly-appointed PSD officers and staff in order to improve awareness of the role of the PCC in relation to conduct and complaints matters and the context of handling complaints and conduct matters in light of the Crawford Review.

The extent of organisational change required to achieve the significant forecast budget reductions required means that the PCC and WYP will continue to face an environment of increased uncertainty and risk.

This will be closely monitored by the PCC and the Chief Constable, who will continuously review the adequacy and effectiveness of the evolving governance arrangements and ensure that any improvements identified are implemented.

Signed

**Mark Burns Williamson**  
PCC for West Yorkshire

**Fraser Sampson**  
Chief Executive and Solicitor