

**ANNUAL GOVERNANCE STATEMENT FOR
THE POLICE AND CRIME COMMISSIONER FOR NORFOLK AND
THE CHIEF CONSTABLE OF NORFOLK 2016/17**

1. Background

- 1.1 This Annual Governance Statement (AGS) covers the financial year 2016/17 [but extends to cover the period to the signing of the Statements of Accounts in September 2017]. This statement is an opportunity to demonstrate compliance with the Code of Corporate Governance.
- 1.2 The Police and Crime Commissioner (PCC) and the Chief Constable for Norfolk 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.
- 1.3 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, which 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.
- 1.4 The Corporate Governance Framework which sets out how governance 'works' for the PCC and Chief Constable can be found on the PCC's website (www.norfolk-pcc.gov.uk) or may be obtained from the Office of the Police and Crime Commissioner for Norfolk, Building 8, Jubilee House, Falconers Chase, Wymondham, Norfolk, NR18 0WW.
- 1.5 This Framework includes the joint Code of Corporate Governance (the Code) which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government [April 2016] (as expanded by a Guidance Note for Police [June 2016]).
- 1.6 The PCC's and Chief Constable's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of Chief Financial Officers in Policing (draft update May 2017). However, please see further commentary at 3.7 below.
- 1.7 This AGS also explains how the PCC and Chief Constable have complied with the Code and also meets the requirements of Regulation 6 of the Accounts and Audit (England) Regulations 2015 in relation to the review of the effectiveness of the system of internal control and the publication of an annual governance statement.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes and culture and values by which the PCC and Chief Constable are directed and controlled, 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.
- 2.2 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 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 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.
- 2.3 However, good governance is not only about processes, rules and procedures. The governance framework should be applied in a way which also demonstrates the spirit and ethos of good governance. Shared values which are integrated into the culture of an organisation and are reflected in behaviour and policy are essential hallmarks of good governance.

3. The Governance Framework

- 3.1 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 Constabulary. 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. It therefore follows that the Commissioner must satisfy himself that the Constabulary has appropriate mechanisms in place for the maintenance of good governance, and that these operate in practice.
- 3.2 The PCC has adopted a Corporate Governance Framework (including the Code of Corporate Governance) and a Scheme of Governance and Consent which includes Financial Regulations and Contract Standing Orders. These are reviewed periodically in accordance with requirements.
- 3.3 The governance framework has been in place throughout the financial year 2016/17 (ending 31 March 2017) and [up to the date of the approval of the Statements of Accounts].
- 3.4 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:-

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

- 3.5 The Police Code of Ethics, produced by the College of Policing, describes the principles that every member of the policing profession in England and Wales is expected to uphold and the standards of behaviour they are expected to meet. This

Code applies to all those who work for the Constabulary, be they police officers, employees, contractors or volunteers. All staffs have been made aware of the requirements of the Code of Ethics and where necessary this is enforced for police officers by the Police (Conduct) Regulations and for police staff by the Police Staff Council Misconduct Procedures. A Code of Conduct based on the Code has also been adopted by the PCC and staff of the OPCC.

- 3.6 Formal policies also exist in respect of whistle blowing, public complaints, anti-fraud and corruption and the need to maintain a register of interests. An Ethics Committee has been established to enable staff to raise for consideration ethical issues affecting the Constabulary to enable further improvement in the transparency, professionalism and ethical approach of staff, policies and procedures to such issues.
- 3.7 Since 1st April 2014 the Norfolk PCC's Chief Financial Officer (CFO) has acted in a dual capacity (as Section 151 officer) for both the Norfolk PCC and the Chief Constable. The CIPFA Code says that some PCCs and Chief Constables have agreed locally to combine the two CFO posts and designate a single officer. It also says that whilst this arrangement may be regarded as a pragmatic and cost saving solution, it is essential that the potential risks are recognised and that the governance framework is structured in a way that accommodates and responds to any compromises which might arise. The guidance confirms that combined CFO arrangements do not contravene the provisions of the Police Reform and Social Responsibility 2011 Act. The local arrangements have been considered by the Audit Committee and appropriate safeguards put into place.

Principle B - Ensuring openness and comprehensive stakeholder engagement

- 3.8 The PCC's website contains details of the meetings the PCC holds with the public, partners, Chief Constable, Audit Committee and Police and Crime Panel. Agendas, reports and minutes are available for public scrutiny where appropriate and social and digital media are frequently used to inform people unable to attend and to summarise meetings and key decisions.
- 3.9 The Constabulary offers regular, direct updates via its social and digital channels including Twitter, Facebook, the force website, and indirectly via the local media. In addition, members of the public can sign up to the free Police Connect service to receive details of local crimes, initiatives and engagement opportunities via e-mail, voicemail or text.
- 3.10 The Constabulary Community Engagement Strategy sets out how the Constabulary will effectively engage with the residents of Norfolk in accordance with Section 34 of the Police Reform and Social Responsibility Act 2011. Key aims include actively engaging with the public, using digital technology to reach a wider audience, ensuring officers and staffs have a clear understanding of expectations, working with partners, and acting on feedback to ensure we meet needs and requirements. Seven Community Engagement Officers have been appointed to each of the policing districts within the county and are using social media in a number of different ways to communicate effectively with the public.
- 3.11 Representatives of the PCC attend meetings regularly to ensure that the arrangements the Constabulary has in place are effective. The PCC's Office (OPCC) also has its own Communications and Engagement Strategy setting out how it will obtain the views of the community and victims of crime regarding policing. This was updated for 2016-2020. The OPCC has recently appointed a Consultation and

Engagement Officer to review, develop and deliver its engagement activities and oversee delivery of its overarching Strategy.

- 3.12 The PCC held a countywide budget consultation asking Norfolk people whether they agreed to a 2% precept rise for 2017/18. More than 2,200 people responded with 76% in favour of a rise. Political groups and key partners were also consulted. The PCC holds regular public meetings (Police Accountability Forum) to hold the Chief Constable to account.
- 3.13 The PCC has established a Victims' Panel which is enabling him to consult directly with victims on a wide range of subjects and issues. The OPCC manages a number of independent advisory panels including the Independent Advisory Group (IAG).
- 3.14 The Constabulary measures the satisfaction of service users through the use of public surveys and reports to the Office of the PCC on levels of satisfaction as one of the agreed Police and Crime Objectives. This is done in accordance with Home Office requirements.
- 3.15 Norfolk Constabulary collaborates extensively with Suffolk Constabulary as it has done since 2008. This formal collaboration is across a range of services including operational policing and back office functions. The PCC is required to give approval to collaborative opportunities before they can commence. The PCCs of Norfolk and Suffolk meet during the year along with the Chief Constables to consider issues impacting on the organisations and to discharge the governance responsibilities between Norfolk and Suffolk. In addition to this there are governance arrangements that cover operational managers and Chief Officers. The main drivers have been to maintain the effectiveness of operational and organisational support and to drive out savings through economies of scale in order to protect front line resources wherever possible.
- 3.16 There are also services that are subject to ongoing regional collaboration. A Seven Force Strategic Collaboration Programme has been established (this is essentially the three strategic collaborations of Norfolk/Suffolk, Kent/Essex and Bedfordshire/Cambridgeshire/Hertfordshire) with a mission to develop options for wider collaboration in order to make efficiencies and drive out further savings. The programme is governed jointly by the seven PCCs and seven Chief Constables.

Principle C - Defining outcomes in terms of sustainable economic, social and environmental benefits

- 3.17 The previous Commissioner published the first Police and Crime Plan for the period 2013/14 to 2016/17 in accordance with the Police Reform and Social Responsibility Act 2011. This established the PCC's vision and objectives for residents and service users. Following the PCC's first year in office the Plan was refreshed in 2014 to take account of the commissioning strategy and framework and to also make it more user-friendly and accessible. This approach has been endorsed by the Norfolk Police and Crime Panel. An annual report is also produced that provides an update on the PCC's progress against the delivery of the Police and Crime Plan.
- 3.18 Following his arrival in May 2017, the new PCC has consulted widely on his new Plan (2016/20) and this was published in March 2017. The Plan sets out seven core priorities for Norfolk and outlines the PCC's vision for tackling and preventing crime, protecting the most vulnerable and supporting victims.

The seven priorities are:-

- Increase visible policing
- Support rural communities
- Improve road safety
- Prevent offending
- Support victims and reduce vulnerability
- Deliver a modern, innovative service
- Good stewardship of taxpayers' money.

- 3.19 There is a co-ordinated process for strategic and medium-term financial planning (MTFP). The budget for 2016/17 was set by the previous PCC based on a 'cash level' government funding settlement for police in 2016/17. In the Police Grant Report on 17th December 2015, the Minister of State for Policing said "For 2016/17 direct resource funding for each PCC, including precept, will be protected at flat cash levels, assuming that precept income is increased to the maximum amount available." As a result, the PCC decided to increase the precept by 2%. With funding the same in cash terms (as in 2015/16), budget reductions were required to finance pay awards, price inflation and service pressures over the medium term. The work involved in preparing the budget and the MTFP requires close liaison with operational staff and budget managers followed by a detailed process of scrutiny and challenge by Chief Officers in order to ensure that the MTFP can finance the strategic aims of the Constabulary and the PCC.
- 3.20 There is a clearly defined corporate performance management framework. Objectives and key performance indicators are established and monitored both at a corporate and local level. Regular reports are made to senior managers, the Command Team and to the Commissioner on performance against objectives. This includes detailed analysis and scrutiny of performance and compares performance against the most similar family of forces.
- 3.21 Proposals for collaboration go through a detailed process, designed to ensure that all options are considered and that all parties can sign up to formal agreements in the knowledge that future policy, performance and resource levels are recognised at the offset. Dedicated resources are in place to support those units subject to Norfolk / Suffolk collaboration, including the formulation of detailed business cases. The business cases are subject to review by senior officers and the Joint Chief Officer Teams of the two constabularies. Proposals are further discussed before final sign off by the two PCCs. This is underpinned by formal agreements covering the legal aspects of collaboration. A similar process applies to regional proposals.
- 3.22 A Programme Management Office has been established to oversee the planning, implementation and delivery of Norfolk and Suffolk Constabularies' overarching change programme in accordance with the two force's strategic priorities and report upwards into a Joint Norfolk and Suffolk Chief Officer Team and the PCCs.

Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes

- 3.23 Norfolk and Suffolk Constabularies gather data and intelligence from a range of sources to produce an annual Strategic Assessment. The Strategic Assessment takes into account all relevant internal and external factors that might impact upon policing, crime and disorder at county and local level, highlighting emerging issues, risks and threats. All issues are risk assessed using the nationally recognised Management of Risk in Law Enforcement (MoRiLE) framework. The Strategic Assessment is then used to inform the development and review of the Police and

Crime Plans and the local policing plans and performance frameworks. It also leads to the setting of the Operational Control Strategy for which there are identified strategic leads for each theme area. Partners are consulted in the development of the Strategic Assessment and the final document is also shared with them to help aid their decision making and planning.

- 3.24 The Constabulary also undertakes strategic analysis in the form of Strategic Profiles. Where relevant, these are produced jointly for Norfolk and Suffolk, highlighting any cross force and single force issues. The profiles cover a range of strategic crime and thematic topics, including some looking at organisational issues such as sickness and absence management. They provide a comprehensive account of the topic, taking into consideration any existing research or 'what works' evidence to inform strategic and tactical action plans and decision making. Partnership data is utilised wherever possible and consultation is also undertaken with stakeholders outside of policing as a key part of the process to ensure they are widely informed. These strategic profiles are used to inform the overall Strategic Assessment.
- 3.25 The Joint Performance and Analysis Department (JPAD) undertakes analysis, research, consultation and improvement and evaluation activity across the Constabulary. The collaboration of these distinct areas of business within one department allows for more informed analysis to take place which could relate to any part of the organisation, whether operational or organisational. This collaboration also results in the greater use of a variety of techniques to aid tactical and strategic decision making and to formulate problem solving approaches. The department seeks to use an evidenced based approach to its work ensuring that the best available evidence regarding 'what works' is considered as part of the Constabulary's problem solving activity and evaluations are conducted to ensure lessons are learnt and successes identified.
- 3.26 The department produces analytical work to support a number of forums and groups, including the Tasking and Co-ordination Group meetings and Performance and Accountability meetings, delivering strategic and tactical products which facilitate forward resource planning and the identification and management of threat, risk and harm, thereby minimising costs to the organisation. The department supports the Constabulary in meeting its statutory and legislative requirements regarding information and data provision including the Annual Data Returns as set out by the Home Office and provision of data for a large proportion of Freedom of Information Requests.

Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it

- 3.27 Norfolk and Suffolk Constabularies have a Leadership Development Programme called Best I Can Be and run a quarterly series of professional development events as part of the work being delivered under the Leadership Strategy.
- 3.28 The Strategy promotes the idea that Leadership is not necessarily about rank. It advocates 'Courageous, Inclusive and Ethical' leadership. It goes further to describe the development of the whole workforce which is engaged not only in day to day activity but also in strategic projects and change programmes.
- 3.29 The Professional Development Review process continues to be improved and embedded and work continues to develop an ePDR system.

Principle F - Managing risks and performance through robust internal control and strong public financial management

- 3.30 The PCC and Chief Constable have Risk Policies in place to ensure that the risks facing the organisation are effectively and appropriately identified, evaluated and reported. The Joint Norfolk and Suffolk (Constabularies) Risk Management Policy includes details of the risk management framework within the governance structure of Norfolk Constabulary.). It sets out risk management requirements and practices that should be undertaken; by whom and when, and outlines the consequences of non-adherence. The policy supports a robust risk management approach for ensuring that strategic objectives are achieved and shows how risk is dealt with, by mitigation and/or escalation to the appropriate level in the organisations. A similar policy has been drawn up by the Norfolk Office of the PCC (OPCC). The Audit Committee routinely sees the Strategic Risk Registers.
- 3.31 The Crime Registry and Audit functions for Suffolk and Norfolk are also now part of JPAD. By carrying out independent and rigorous audit of crime and incident recording, they provide an objective assessment of how the Constabularies are complying with the National Crime and Incident Recording Standards. The audit reports produced are reviewed by Chief Officers and if areas for improvement are identified, action is allocated and taken accordingly. As necessary, any areas of risk in relation to Crime Data Integrity are also raised at the Force Crime Data Integrity meetings and detailed on the risk register.
- 3.32 As noted in the 2015/16 Annual Governance Statement, the introduction of Athena in October 2015 led to a reduction in data quality and a temporary halt in the provision of performance information. In response to this an Athena Data Quality Gold group was established and a detailed action plan introduced to ensure the quality of crime recording was improved to levels that ensured confidence in the data. Performance reporting has since been re-introduced. Data quality remains a key focus for the organisations with it being discussed at Athena and Crime Data Integrity meetings and with resources now in place specifically focused on data quality. Training staff on the importance of data quality and how to record information accurately within Athena is also undertaken and the training is updated in line with any national or local changes and developments.

Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- 3.33 The Commissioner produces and publishes an Annual Report which details performance for the previous year against the objectives set in the Annual Policing Plan. Financial performance against the revenue budget, capital programme and levels of reserves is reported regularly.
- 3.34 The OPCC has received an award (for the second year running) for the quality of its website, which includes the transparency requirements set out by Regulations.
- 3.35 The Audit Committee (now meeting in public) has overseen the full programme of internal and external audit activity. See details below.

4. Review of Effectiveness

4.1 The PCC and Chief Constable have responsibility for conducting an annual review of the effectiveness of the governance framework, including the system of internal control.

4.2 This review of effectiveness is informed by the work of executive managers within the Constabulary and the OPCC who have the responsibility for the development and maintenance of the governance environment, the head of internal audit's annual report and also by comments made by the external auditor and other review agencies and inspectorates.

4.3 A full report was presented to the June meeting of the Audit Committee and the groups and processes that have been involved in maintaining and reviewing the effectiveness of internal control include the following:

4.4 Corporate Governance Working Group

4.4.1 This Group has been established to review the corporate governance framework and systems of internal control and to oversee the preparation of this Annual Governance Statement. The group comprises the Chief Executive of the PCC, the PCC's and Chief Constable's Chief Finance Officer, the Hand the Head of Joint Finance together with one co-opted member of the Audit Committee. The officers have involvement in the oversight of the governance framework and its processes and are in a position to review its effectiveness.

4.5 Internal Audit

4.5.1 Internal audit (delivered under contract by TIAA from 1 April 2015) provides independent and objective assurances across the whole range of the PCC's and Constabulary's activities and regularly presents findings to the Audit Committee of the PCC and Chief Constable. They have taken a managed audit approach in conjunction with external audit to ensure that all necessary areas of compliance are covered. The audit programme for the year was prepared and agreed with the PCC and Chief Constable following a risk based assessment. The managed audit approach has been developed successfully over past years, in agreement with external audit to bring further efficiency to audits. At each meeting of the Audit Committee the Head of Internal Audit also presents a 'Follow-Up' Report which sets out the numbers of implemented recommendations and those which remain outstanding.

4.5.2 The external auditor (Ernst and Young LLP, appointed by the Audit Commission in 2012) is able to place reliance on the work of internal audit.

4.5.3 Internal audit is required to give an overall opinion on the adequacy and effectiveness of the framework of the internal control and risk management environment.

4.5.4 The overall opinion for 2016/17 from the Head of Internal Audit was:

"TIAA is satisfied that, for the areas reviewed during the year, the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies have reasonable and effective risk management, control and governance processes in place. Also, there was evidence to support the achievement of value for money with regard to economy, efficiency or effectiveness of the systems reviewed. This opinion is based solely on the matters that came to the

attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability which must be obtained by the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies from its various sources of assurance.”

4.6 External Audit and Other External Review Bodies

4.6.1 External Audit provides a further source of assurance by reviewing the annual accounts and value for money assessment and reporting upon internal control processes and any other matters relevant to their statutory functions and codes of practice. An unqualified audit report was issued on the 2015/16 Statement of Accounts at the end of September 2016 together with an unqualified value for money conclusion. The External Auditor’s Annual Audit Letter was issued on October 2016 and it did not identify any matters to be addressed.

4.6.2 The Constabulary is subject to almost continuous review by Her Majesty’s Inspector of Constabulary (HMIC) and a number of inspections were carried out over the period. Reports relating to Norfolk can be found on HMIC website:-

<https://www.justiceinspectors.gov.uk/hmic/?type=publications&force=norfolk&s&cat&year>

Of note are the following reports (Comments/actions taken by the Constabulary in blue text):-

PEEL: Police Effectiveness 2016

HMIC Overall Judgement: Good.

Areas for improvement

The force should reduce the backlog of crimes awaiting closure in the incident management unit. The force no longer has a back log of investigations/crimes with the Investigation Management Unit.

The force should ensure that it is fully compliant with the Code of Practice for Victims of Crime. The comment related to compliance on the offer of a VPS at time an evidential statement is taken. Following a successful pilot in Great Yarmouth trialling Victim Personal Statement Packs the constabulary they are being rolled out across the county.

The force should review how it handles domestic abuse cases which are waiting for an officer to be assigned; in particular, it should ensure that victims are not being exposed to harm because of unnecessary delays. All domestic incidents that are risk assessed not to require an immediate or priority response on a Grade A or B are forwarded to the appropriate district dispatch desk to be allocated to an officer to deal with. Where there is a delay in an officer being able to attend, or there is any relevant additional information, a further risk assessment will take place to ensure that it is correctly graded and that the victim is not exposed to any harm as a result of any delay in attending.

The force should review its absent and missing children procedures in the control room to ensure that it is properly investigating the cases of children who are categorised as absent. The Constabulary is currently reviewing its control room operating procedures to reflect the new College of Policing Approved Professional Practice. Within the new guidance there is no longer a category of “Absent” for children.

The force should review its use of preventative legislation, particularly Domestic Violence Protection Orders and Notices, and Clare's Law, to ensure that it is making best use of these powers to safeguard victims of domestic abuse. The constabulary continues to use Domestic Violence Protection Notices for those vulnerable victims of domestic abuse who are seen as being at high risk by the attending officer and are likely to benefit from the protections provided by the Domestic Violence Protection Order. Further safeguarding and support is provided by the Multi Agency Safeguarding Hub, Domestic Abuse Safeguarding Team and the Independent Domestic Violence Advocate service to maximise the safeguarding of the victim. This includes the use of Clare's Law. Recent changes to our partnership meeting structures have increased the timeliness of Clare's Law decisions and disclosures.

The force should further develop its serious and organised crime local profile in conjunction with other organisations; this would enhance its understanding of the threat posed by serious and organised crime and inform joint activity aimed at reducing this threat. A refresh of the constabulary's local serious and organised crime profile is underway to include partnership data and includes the newly formed Local Organised Crime Partnership Boards. The local profile will be complete and ready for presentation to the Joint Chief Officer Team in August 2017.

The force should enhance its approach to the lifetime management of organised criminals to limit their offending. The Norfolk and Suffolk Integrated Offender Management approach '180' fits within the Government's Serious and Organised Crime Strategy. All released nominals are subject to assessment through the 180 matrix and will feature within the Organised Crime Group Management Meeting and will be subject to intervention and provision of a Locally Responsible Officer.

PEEL: Police Efficiency 2016

HMIC Overall Judgement: Good

Areas for Improvement

Norfolk Constabulary should develop a better understanding of how the benefits of investing and using ICT affect its ability to meet current and likely future demand efficiently, with a view to updating its ICT strategy. *The constabulary has made significant investment in ICT and has a strong track record of delivery to enable benefits. To date it has expanded the capacity of its networks to support changes in Norfolk working practices and collaboratively with Suffolk, including significant extra storage to support its leading Digital Forensic Unit, a common platform for Airwave, and a joint finance payroll unit to drive down costs. It has expanded the capacity and delivery of Automatic Number Plate Recognition infrastructure to support its use as a frontline proactive tool. It is also introducing body worn video cameras and mobile devices to front line officers. It has refreshed and improved its cybersecurity to comply with a PSNP health check. Dedicated projects with bolstered governance structures have been put in place to oversee the full realisation of benefits from both the Athena and Enterprise Resource Planning systems. These market-leading systems were significant capital investments that have brought about major organisational change, but it is acknowledged have taken longer than desired in achieving the planned benefits.*

Norfolk Constabulary should undertake appropriate activities to fully understand its workforce's capabilities, in order to identify any gaps and put plans in place to address them. This will enable the force to be confident in its ability to efficiently meet current and likely future demand. *The constabulary has worked hard to centralise the information contained in departmentally held workforce skills databases. It now has a cleansed skills database and agreed establishment data which will inform a corporate training needs analysis by the end of the year.*

PEEL: Police Legitimacy 2016

HMIC Overall Judgement: Good.

Areas for improvement:

The force should improve how it demonstrates that it has taken action to improve how it treats all the people it serves. *The constabulary has put in place communications strategies which include transparency of police actions as recently seen during Operation Gravity. Social media, letters, posters and traditional media have been used to update the local community regarding actions taken. This approach is being extended to other proactive operations around child sexual exploitation and protecting vulnerable people.*

- 4.6.3 Following the audit undertaken by the Information Commissioner's Office (ICO) in April 2016 across Norfolk/Suffolk Constabularies, work has progressed to action the recommendations to help reduce the risk of non-compliance with the Data Protection Act. Resourcing levels have been reviewed and three temporary appointments (to end March 2018) are currently being recruited to address the information sharing, auditing and compliance requirements. The audit findings continue to be progressed and managed through the Information Management Steering Group.
- 4.6.4 As in previous years, Information Management has dealt with a number of data breaches in 2016/17 of which none have been reported to the Information Commissioner's Office (ICO) as they have either been contained between the relevant parties or not of serious enough impact to warrant referral. All data breaches reported to information management are thoroughly investigated and the final report is considered by the respective force Deputy Chief Constable (Senior Information Risk Owner (SIRO)) for a final decision as to whether to refer to the ICO. At present there is no mandatory requirement to refer data breaches to the ICO though this is likely to change when the new Data Protection regime takes effect in May 2018 following the adoption of the General Data Protection Regulation (GDPR) and Directive.

4.7 Police and Crime Panel

- 4.7.1 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 and consists of 3 county councillors, 7 district councillors and 2 independent co-opted members.

4.8 Audit Committee

- 4.8.1 The Committee provides advice, to the PCC and Chief Constable, on audit and governance issues and champions both audit and the embedding of risk management. Specifically, it receives and scrutinises the review of the system of internal control, and agrees and monitors any action plans resulting from those reviews. The Committee regularly reviews its own performance and prepares an annual report for submission to the PCC and Chief Constable.
- 4.8.2 In addition to this the Committee also examines and considers the draft Annual Governance Statement, and reviews the draft accounts of the PCC and Chief Constable to make recommendations in this respect. Also, it reviews the annual draft Treasury Management Strategy, monitors its application during the year and makes recommendations as appropriate.
- 4.8.3 Members have continued to receive briefings and training through the year and two vacancies have been filled.

5. Significant Governance Issues

- 5.1 The significant governance (internal control) issues identified in the 2015/16 Annual Governance Statement have been subject to follow up by Internal Audit. Reconciliation of tax and national insurance deductions relating to 2015/16 remains outstanding, however, payments have been made to HMRC and a payroll software fix is awaiting testing.
- 5.2 There were four areas (Purchase Cards, HR Recruitment, Duty Management System, HR Strategy and Workforce Planning) reviewed by internal audit in 2016/17 where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited' assurance. Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations had been accepted. Most of recommended actions have been completed.
- 5.3 Whilst there are no 'significant' governance issues identified within the audit reports a number of recommendations make reference to the Enterprise Resource Planning System. A project is underway (commenced May 2017) to ensure that the system is running as efficiently and effectively as possible (see also paragraph 4.6.2).
- 5.4 With budgets likely to remain 'cash flat' over the medium term, real terms reductions to balance the budget are required year on year to finance inflation, pay awards and operational demand pressures. By the end of the current MTFP period (to 2020/21) some £40m annually recurring savings will have been found. An earlier start has been made on the 2018/19 budget and MTFP processes and this should give more opportunity for the Chief Constable and PCC to take measured and probably difficult decisions as regards budget reductions. Operational demands are also putting significant pressure on the 2017/18 budget. The existing strong financial planning governance processes (Service and Financial Planning Challenge Panels, underpinned by the use of Outcome Based Budgeting tools) will be continued. The Panels will identify a range of low to high risk budget reduction options which will then be considered by Chief Officers prior to discussion with the PCC.
- 5.5 Project Athena remains on the Constabulary Strategic Risk Register. Governance around Athena is very tight with all risks and issues managed locally at the monthly Athena User Group and the Athena Strategic Board (Norfolk and Suffolk) chaired by the Deputy Chief Constable. Regionally the governance matrix extends through the Athena Management Organisation (hosted by Essex) to PCCs and Chief Constables of the founder forces.

6. Assurance Summary

- 6.1 The Corporate Governance Working Group has concluded that the governance arrangements are fit for purpose in accordance with the governance framework. Those areas to be specifically addressed are set out in Section 5 above.
- 6.2 Finally, we are satisfied that this report is an accurate summary of the governance arrangements in place in the Constabulary and the OPCC and of their effectiveness during this period.

Signed

Lorne Green
Police and Crime Commissioner for Norfolk

Simon Bailey QPM
Chief Constable of Norfolk

Mark Stokes
Chief Executive
Office of the Police and Crime Commissioner

John Hummersone FCPFA
Chief Finance Officer

Date: 7 September 2017

Signed on behalf of the senior staff of the Police and Crime Commissioner for Norfolk and on behalf of the Chief Officers of Norfolk Constabulary.