



Office of the Cambridgeshire Police and Crime Commissioner (OPCC)

ANNUAL GOVERNANCE STATEMENT – 2020/21

1. SCOPE OF RESPONSIBILITIES

A Police and Crime Commissioner (PCC) is responsible for ensuring that the business of their office 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.

In discharging this overall responsibility, the PCC is responsible for putting in place proper arrangements for the governance of his affairs and facilitating the effective exercise of functions, which includes ensuring 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 also relies on the Chief Constable (CC) to support the governance and risk management processes.

The Commissioner ensures community needs are met as effectively as possible and improves local relationships by working in partnership across a range of agencies at local and national level to ensure there is a unified approach to preventing and reducing crime.

Under the terms of the Police Reform and Social Responsibility Act 2011, The Commissioner must:

- secure an efficient and effective Police Force for their area;
- appoint the Chief Constable, hold them to account for, and if necessary, dismiss them;
- set the police and crime objectives through a police and crime plan;
- set the force budget and determine the precept; and
- bring together community safety and criminal justice partners, to make sure local priorities are joined up.

For the purposes of clarity for this Annual Governance Statement, any reference to the 'PCC' is taken to be that of the Acting Commissioner who was appointed by the Police and Crime Panel in November 2019.

In considering this Annual Governance Statement, in addition to considering his own arrangements, the PCC has also relied upon the governance processes within Cambridgeshire Constabulary as reflected in the CC's Annual Governance Statement.

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values, by which the PCC and his office are directed and controlled, and the activities through which he and his office are accountable to and engage with the community. It enables the PCC to monitor the achievement of his strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services, including value for money.

At a strategic level the framework forms part of the three forces Scheme of Governance, jointly agreed with Bedfordshire and Hertfordshire, and which includes Financial Regulations and Contract Standing Orders, which were most recently reviewed and updated in May 2020. Both the Scheme of Governance and Financial Regulations are available on the PCC's website. <https://www.cambridgeshire-pcc.gov.uk/accessing-information/money/>

The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achievement of policies, aims and objectives and 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'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 efficiently, effectively and economically.

3. THE GOVERNANCE FRAMEWORK

The CC is accountable to the PCC. Both the CC and PCC must have due regard to the Strategic Policing Requirement set by the Home Secretary.

The Chief Constable is responsible for operational policing matters, the direction and control of police personnel, and for putting in place proper arrangements for the governance of the Force. The Commissioner is required to hold him to account for the exercise of those functions and of persons under his direction and control. It therefore follows that 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.

The Scheme of Governance includes details of the various duties delegated to senior officers. Financial Regulations (including Contract Standing Orders) have been developed to ensure that the financial responsibilities of both the OPCC and the Commissioner are clear.

The Business Coordination Board is a joint governance forum of the PCC and the CC and their respective Officers. This meeting is one of the means whereby the PCC holds the CC to account for the performance of the Constabulary. Meetings scrutinise, support and challenge the overall performance of the Force including against the priorities agreed within the Plan. <https://www.cambridgeshire-pcc.gov.uk/accessing-information/decision-making/business-coordination-board/>

The key elements of the systems and processes that comprise the governance arrangements that have been put in place for the PCC and the CC include:

- A definition of the roles of the PCC and the CC;
- Delegations from the PCC;
- Financial Regulations;
- Risk Management and Business Continuity arrangements;
- A Treasury Management Policy;
- A Gifts Loans and Sponsorship Policy;
- Contract Standing Orders; and
- Anti-Fraud and Anti-Bribery policy;
- Reporting Concerns (Whistleblowing) policy.

CIPFA published their "Delivering Good Governance in Local Government: Framework" followed by specific guidance notes for Policing Bodies. The key elements of the systems and

processes which the Commissioner has in place are aligned to the seven principles are set out below:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
- Ensuring openness and comprehensive stakeholder engagement;
- Defining outcomes in terms of sustainable economic, social and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the entity's capacity, including the capability of its leadership and the individuals within it;
- Managing risks and performance through robust internal control and strong public financial management;
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

3.1 Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The OPCC has an approved policy on anti-fraud and anti-bribery which is included within the Financial Regulations. The policy is designed to encourage prevention, promote detection and identify a clear pathway for investigation of fraudulent and/or corrupt activities or behaviour.

The Commissioner has made a policy statement on decision making which is shared with Bedfordshire and Hertfordshire. This explains the statutory framework for decision making by police and crime commissioners, aligned to the Nolan principles of public life, it sets out the decision-making process including the recording, transparency and publication of those decisions. Under the policy the Chief Executive, Chief of Staff and Chief Finance Officer are part of the legal framework to report contraventions of the law, financial requirements or maladministration.

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/decision-making/>

The PCC has taken an Oath of office following his appointment by the Police and Crime Panel. The Oath sets out his commitment to undertaking his role with integrity whilst recognising the importance of the operational independence of the CC. The register of interests of the PCC and of the Chief Executive Officer are published on the PCC's website.

<https://www.cambridgeshire-pcc.gov.uk/about-us/your-commissioner/disclosure-of-business-interests/>

The PCC has a duty to be open, transparent and accountable. He also has a legal responsibility to monitor all complaints made against all Cambridgeshire Constabulary officers and staff, whilst also having responsibility for complaints made against the Chief Constable. In the first instance, complaints received by the PCC's Office will be forwarded to the Constabulary's Complaints Resolution Team (CRT) who will be able to assist as they are the correct authority to take this forward. Thereafter, and following changes on 1st February 2020 to the police complaints systems, Police and Crime Commissioners do have a statutory responsibility, in certain circumstances to review the outcome of complaints handled by Cambridgeshire Constabulary. However, before the PCC can get involved, Cambridgeshire Constabulary has to have formally recorded the dissatisfaction as a complaint, considered it, and reached a reasonable and proportionate outcome. The complaints process is described on the Commissioner's website.

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/complaints/>

As a public body, the Commissioner is subject to the general equality duty. Under the Police Reform and Social Responsibility Act 2011, the Commissioner must hold the Chief Constable to account for the exercise of his duties relating to equality and diversity.

The Police and Crime Plan considers the needs of the diverse population he serves. OPCC staff comply with and ensure that those who we support adhere to guidelines set out in the equality duty. The OPCC staff equality and diversity breakdown has been published on the website. <https://www.cambridgeshire-pcc.gov.uk/transparency/staff-equality-and-diversity>

The Police and Crime Commissioner has a statutory duty under the Police Reform and Social Responsibility Act 2011 to hold the Chief Constable to account for the exercise of duties relating to equality and diversity. The Constabulary provides an annual report to the Business Coordination Board, which includes how the Constabulary is exercising its statutory duties under the Equality Act 2010 relating to equality and diversity. This was presented in December 2020.

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/decision-making/business-coordination-board/bcb-16th-december-2020/>

3.2 Ensuring openness and comprehensive stakeholder engagement

The PCC has a Communications and Engagement Strategy which was refreshed in April 2020, and sets out the PCC's communications objectives linked to those in the Police and Crime Plan with expected outputs. It also identifies key stakeholders and communication channels.

The communications plan has been developed to support the strategic objectives of the OPCC and the tactical delivery of the Police and Crime Plan. The plan takes note of the Constabulary's mission, vision and values as set out by the Chief Constable.

The PCC has introduced regular briefings for council representatives across the county for each of the six council districts of Cambridgeshire and Peterborough. The briefing is an opportunity for Councillors to learn about community safety schemes and projects which are being run in their area by community groups. They are also an opportunity for Councillors to raise local concerns on behalf of the communities they represent at the end of each briefing. As a result of the current Covid-19 health emergency, these are offered as video conferences, using Microsoft Teams, in line with social distancing guidance.

The PCC reported to the Police and Crime Panel in December 2020 on his communications strategy during COVID by channel, reach and networks.

<https://democracy.peterborough.gov.uk/documents/s42981/Acting%20PCCs%20Communication%20Strategy%20through%20Covid-19.pdf>

In addition, communities across the county were invited to a virtual round table event to mark Hate Crime week in October 2020. A (virtual) Rural Crime Conversation event was also held in December which attracted farmers and rural businesses alike providing an opportunity for people living in rural areas to discuss matters that concern them.

<https://www.cambridgeshire-pcc.gov.uk/get-involved/events/>

In order to seek the views of the public regarding police funding for 2021/22, the Commissioner launched an online survey asking for views on an increase of £1.25 per month (based on a Band D property) to council tax which would enable the Chief Constable to implement a number of improvements to the service the public receive.

The survey also included a number of questions seeking the views of the public with regards to policing and crime, enabling a 'temperature check' of what issues local people are concerned about and how safe they feel living in Cambridgeshire. In response to how people felt in terms of safety, the average response was 7 out of 10 with respondents also provided with an opportunity to expand on why they responded the way they did. In addition, theft and burglary, organised crime and county lines and anti-social behaviour were the top three public priority policing areas. Survey respondents also said they would like to see the Constabulary focus on prevention, neighbourhood policing and organised crime.

Partnership arrangements are in place with local authorities and criminal justice partners, including an overarching Countywide Community Safety Board and Criminal Justice Board.

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/countywide-community-safety-strategic-board/>

3.3 Defining outcomes in terms of sustainable economic, social and environmental benefits

The Commissioner continued to endorse Section 22 (of the Police Act 1996) collaboration agreements with Strategic Alliance partners in 2020/21 and mechanisms are in place to hold these collaborative services to account.

The strategic direction of the Strategic Alliance is managed via the Strategic Alliance Summit (SAS), which is made up of the six corporation soles representing the Forces and OPCCs' of Bedfordshire, Cambridgeshire and Hertfordshire. The operational implementation of the collaboration units is managed via the Joint Chief Officers Board (JCOB) which is made up of the three Chief Constables.

The Chief Constable has ultimate responsibility for his/her officers and staff in a collaborated unit and is ultimately vicariously liable for their actions. Officers and Staff are subject to the command structure for daily Shared Service delivery. Each Police and Crime Commissioner retains their individual responsibility for the maintenance of efficient and effective policing in their county and each Chief Constable retains their operational independence. Each PCC retains responsibility for holding their Chief Constable to account for operational police services delivered through collaboration.

Collaborated units have been established in three work streams each led by one force with a supporting structure to allow each CC and PCC to have oversight and fulfil their responsibilities. This means that shared collaborated services are provided to the parties with shared resources being instructed through a single line management structure and those resources remaining under the legal direction and control of their respective Chief Constable.

Joint Protective Services (Bedfordshire).

- Armed Policing;
- Dogs;
- Major Crime;
- Operational Support;
- JPS Management and Support;
- Civil Contingencies;
- Roads Policing;
- Scientific Services (incl. Forensics); and,
- Taser Training.

Organisational support (Cambridgeshire).

- Human Resources (inc. L&D);
- Information Management;
- Procurement;
- Professional Standards;
- BCH Communications;
- Athena;
- Delivery Management Office;
- Payroll;
- Accounts (incl System Admin); and,
- Stores.

Operational Support (Hertfordshire).

- Criminal Justice;
- Custody (Beds and Herts Only);
- Digital/ESMCP;
- Firearms and Explosive Licensing;
- ICT; and,
- Camera, Tickets and Collisions Unit.

In addition, collaboration across Bedfordshire, Cambridgeshire, Hertfordshire, Norfolk and Suffolk, Essex and Kent, known as 7Force, has established a programme to progress consideration of joint working. A collaborated Procurement service across the 7Forces has been established and went live in January 2020 with other projects in place and under development. The main projects that are being delivered across BCH by the BCH Delivery Management Office amongst a number of projects are included:

Vetting

The 7Force Programme has delivered the single 'CoreVet' cloud-based solution to all Vetting departments, with a go-live in mid-February 2021. This includes the adoption of a shared set of webforms allowing the online submission of applications, a first nationally. Adopting the same cloud bases solution across the region has allowed for economies of scale in the procurement and allows vetting units across the region to see and where / when required and strategically agreed support each other in sharing demand in the future.

Forensics

The 7Force Programme has worked with the Forensic Teams and identified a share specification for a single cloud base Forensic Case Management System to replace numerous out dated and unstable forensics systems. This is the first region nationally to come together and agree a shared way forward, the forces will not only benefit from economies of scale but also be able to independently and collectively better understand performance and costs both internal and external.

DAMS

The 7F Programme are working to deliver a Digital Asset Management System (DAMS): an end-to-end solution for the ingestion, storage, management and sharing of digital material. Such a solution will help manage risk associated with the management, movement and deletion of evidential data.

3.4 Determining the interventions necessary to optimise the achievement of the intended outcomes

A Medium-Term Financial Plan is in place. For 2020/21 this was presented to the Police and Crime Panel in February 2020 when the Panel received the plan covering the period 2020/21 to 2023/24. The financial plan supports the achievement of the objectives within the Police and Crime Plan and the Constabulary Corporate Plan.

<https://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=543&Mid=4392&Ver=4>

The financial plan supports the achievement of the objectives within the Police and Crime Plan and the Constabulary Corporate Plan.

The operational requirements were identified by the Constabulary using an innovative planning process known as the Strategic Threat and Risk Assessment (STRA) which examined the operational requirements against current and future demand. This also supported the development of the Constabulary's Corporate Plan and the Medium-Term Financial Strategy.

The Police and Crime Plan 2017 – 2020 was refreshed in August 2019 with the strategic themes, specific aims and outcomes, these are:

- Victims;
- Offenders;
- Communities;
- Transformation.

The Business Coordination Board is a joint governance forum of the Police and Crime Commissioner for Cambridgeshire and the Chief Constable for Cambridgeshire Constabulary and their respective Officers. Its role includes:

- Setting the strategic direction and objectives of the force through the Police and Crime Plan
- Issuing a Police and Crime Plan and monitoring progress.
- Calculating a budget requirement, allocating assets and funds and setting the precept for the Constabulary
- Holding the Chief Constable to account for the performance of the Constabulary's officers and staff and for an efficient and effective police force, including: Scrutinise, support and challenge the overall performance of the force including against the priorities agreed within the Plan.

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/decision-making/business-coordination-board/>

3.5 Developing the entity's capacity, including the capability of its leadership and the individuals within it.

The OPCC takes a pro-active approach to staff development. OPCC staff complete a regular Personal Development Review (PDR) process with their named line manager. This process will continue to identify training requirements for individuals.

Each member of staff has a job description which sets out their individual roles and responsibilities. The Commissioner has published a list of staff with their roles and a staff structure chart on his website.

<https://www.cambridgeshire-pcc.gov.uk/about-us/staff/>

The Commissioner has responsibility for conducting at least annually, a review of the effectiveness of the governance framework, including the system of internal control. The review is informed by the work of the Chief Executive, the CFOs, internal auditors, the Head of Internal Audit report and also managers within the OPCC and Constabulary who have the responsibility for the development and maintenance of the governance environment.

In October 2020, a paper was provided to the Joint Audit Committee with regards to an overview of integrity controls assurance. The report specifically provides a summary of:

- the controls process, how the various control processes have operated during the reporting period and evidence of their effectiveness; and
- complaints update

The report provided assurance that both the PCC and the Constabulary fully recognise and support the principle that all those in policing should uphold and embed the highest standards of ethical behaviour, personal conduct, and at the same time be transparent and accountable for their actions.

<https://s3.eu-west-2.amazonaws.com/media.cambridgeshire-pcc.gov.uk/uploads/2020/12/Agenda-Item-008-JAC-Integrity-Assurance-paper.pdf>

The OPCC has adopted the Human Resources policies established by the Bedfordshire, Cambridgeshire and Hertfordshire collaborated HR department. This includes 'My Conversation' which is a performance review (PDR) process. Regular conversations take place between individuals and managers to ensure oversight of wellbeing, to guide and support in the achievement of work-based objectives and to support personal and professional development.

3.6 Managing risks and performance through robust internal control and strong public financial management

The Commissioner makes his commitments and objectives for policing clear in his Police and Crime Plan which was informed by the views of the electorate. It is against this plan that the PCC is measured, and monitoring of outcomes against this plan is undertaken by both the Business Co-ordination Board and the Police and Crime Panel. The outcomes are made visible to the public through the Annual Report. The last annual report was presented to the Police and Crime Panel in September 2020.

<https://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=543&MId=4513&Ver=4>

Risk management is embedded into the work of the OPCC on an ongoing and continuous basis. A joint strategic risk register is in place with the Constabulary and endorsed by the Joint Audit Committee.

The OPCC has a Risk Management Strategy, also endorsed by the Joint Audit Committee, its purpose is to ensure that risk management is embedded into the governance structure and that it effectively underpins and enables the business. The risk strategy sets out the PCC's controls assurance mechanisms, responsibilities within the OPCC and the relationship with the Constabulary risk management processes. The Joint Audit Committee oversees the risk management arrangements of the OPCC and the Constabulary and ensures that the processes are aligned.

Financial control involves the existence of a structure which ensures that all resources are used as efficiently and effectively as possible to attain the overall objectives and targets. Internal financial control systems are in place to minimise the risk of loss, unlawful expenditure or poor value for money, and to maximise the use of the assets and limited resources.

The financial management framework follows national and professional good practice and its key elements are set out below:

- The organisations fully comply with the CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Financial Officer of the Chief Constable.
- The finance function is governed by the Financial Regulations which are framed under the Home Office Code of Financial Management. The Chief Constable is responsible for adherence to Police Regulations and the Constabulary is monitored for additional compliance by HMICFRS and HM Revenue and Customs.
- Responsibility and accountability for resources rests with managers who are responsible for service provision.
- The Commissioner has adopted the CIPFA Code of Practice on Treasury Management requiring approval of an annual treasury management strategy including an annual investment strategy.
- In accordance with the CIPFA Prudential Code and good accounting practice a four-year medium-term financial strategy (MTFS) and a four-year capital programme are produced.
- The revenue budget provides an estimate of the annual income and expenditure requirements for the police service (Commissioner and Constabulary) and sets out the financial implications of the Police and Crime Plan. It provides chief officers with the authority to incur expenditure and the basis through which to monitor the financial performance.
- Capital expenditure is an important element in the development of the policing business since it represents major investment in new and improved assets. The Commissioner approves the capital programme each year and monitors its implementation and funding closely.

During 2020/21 the Constabulary were part of CIPFA's Achieving Finance Excellence in Policing (AFEP) Programme and in April and May CIPFA conducted a Financial Management Capability Review (FMCR). The FMCR gathered data through an electronic survey, 1:1 interviews and from a review of key documentation. Using a benchmark of best practice in the public sector the review covered financial resilience and financial management of the Constabulary. In summary the key points around financial resilience were that the Constabulary's:

- Long term sustainability is dependent on addressing the continuing budget gaps with savings still to be identified;
- Dependency on central government grant was below average for UK police forces at 58% compared to an average of 65% making Cambridgeshire marginally less vulnerable to reductions in government funding;
- Precept funding had been increased in line with the maximum allowed; and
- Reserves are maintained at a healthy level with no plans to use reserves to close the budget gap over the Medium Term Financial Strategy.

In terms of financial management the Constabulary was rated three-stars on CIPFA's five-star rating system, which CIPFA state "represents a relatively good performance in comparison to the other forces we have assessed". Despite this relatively good performance the Constabulary has put in place a change programme for 2021/22 based on the improvement target identified in the FMCR with the intention of moving from a three-star to a four-star rated police force.

3.7 Implementing good practices in transparency, reporting and audit to deliver effective accountability

All decision making is carried out in accordance with the Governance framework. The governance arrangements ensure that the key decisions taken by the Commissioner are made in the light of all necessary information and analysis and made public (unless exempt under the Provision of Access to Information rules). Appropriate legal, financial, human resources and other professional advice is considered as part of the decision-making process. The Commissioner signs a notice for each decision taken and any decision can be 'called in' by the Police and Crime Panel for further consideration.

Every year since 2013, CoPaCC has assessed how offices of police and crime commissioners (OPCCs) fulfil their statutory obligations for transparency as required by the statutory transparency factors contained in The Elected Local Policing Bodies (Specified Information) Order 2011, based on the information delivered through the OPCC websites. For 2020/21 the Office of the Police and Crime Commissioner for Cambridgeshire was awarded the transparency quality mark being judged to have reaching a satisfactory standard.

The Commissioner has appropriate oversight and scrutiny of Constabulary decision-making through the scrutiny of reports at the Business Coordination Board and other meetings, review of Force Executive Board minutes and formal and informal meetings with the Chief Constable and Constabulary officers. A specific objective and risk-based performance approach is in place. The Commissioner and Constabulary are subject to an extensive internal and external inspection regime and the results of these inspections are published to ensure appropriate scrutiny of decision-making.

The Commissioner publishes his decisions and the minutes and papers of the Business Coordination Board.

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/decision-making/>

The Commissioner also published the minutes and papers of the Police and Crime Panel and the Joint Audit Committee.

4. REVIEW OF EFFECTIVENESS

The Joint Audit Committee (JAC)

The JAC undertakes the core functions of an audit committee in accordance with the guidance set out in the CIPFA publication 'Audit Committees – Practical Guidance for Local Authorities and Police'.

The Joint Audit Committee plays a pivotal role in the system of internal control through its oversight of audit arrangements. The Committee approves the external audit plan and receives the annual audit letter from the external auditor. The Committee also considers the annual internal audit plan, receives regular internal audit reports and monitors management performance against agreed action plans to address any areas for improvement identified. In addition, the Committee oversees progress on Risk Management and related issues.

<https://www.cambridgeshire-pcc.gov.uk/accessing-information/decision-making/joint-audit-committee/>

The Police and Crime Panel (PCP)

The PCP provides checks and balances on the work of the Police and Crime Commissioner (PCC). The Panel does not scrutinise Cambridgeshire Constabulary; it scrutinises how the PCC carries out his statutory responsibilities. While the Panel is there to constructively challenge the PCC, it also has a key role in supporting the Commissioner in his role in enhancing public accountability of the police force. The Commissioner reports to the PCP to enable it to fulfil its responsibilities which include:

- Review and make recommendations on the draft Police and Crime Plan
- Scrutinise the PCC, inviting the Chief Constable to attend the PCP where appropriate
- Review the PCC's appointment of Chief Executive, Chief Financial Officer and Deputy PCC where one is appointed
- Make reports and recommendations on matters relating to the PCC
- Monitor all complaints against the PCC and the informal resolution of such complaints where necessary
- Question the PCC on the annual report in a public meeting
- Veto powers on the PCC's proposed annual council tax precept and appointment of the Chief Constable.

<https://democracy.peterborough.gov.uk/mgCommitteeDetails.aspx?ID=543>

Internal Audit

Internal audit provided an independent opinion on the adequacy and effectiveness of the system of internal control, stating that the organisation has an adequate and effective framework for risk management, governance and internal control. However, their work identified further enhancements to the framework of risk management, governance and internal control to ensure it remains adequate and effective.

Internal audit issued three reasonable assurance and three substantial assurance reports for the OPCC and the Constabulary during the year.

Internal Audit also undertook audits in relation to collaborated activity and issued one report with substantial assurance (BCH Health and Safety), one report with reasonable assurance (Procurement – 7Force) and three BCH advisory reports. In addition, a follow up audit on BCH Procurement was undertaken and poor progress was identified.

Internal audit also performs an annual follow up of agreed management actions, and the Constabulary also track the completion of management actions.

Internal Audit has co-ordinated the new draft of this Annual Governance Statement, with assistance from senior officers and staff in the OPCC and Constabulary.

External Audit

The reporting requirements for external auditors have changed for the 2020/21 accounts. In previous years auditors prepared an annual audit letter and provided an opinion on the financial statements as well as on the value for money (VfM) arrangements. From the 2020/21 accounts the external auditor will provide their opinion on the financial statements and instead of issuing an annual audit letter, an auditor's annual report will be issued within three months of signing the audit opinion on the financial statements. The auditor's annual report will provide a commentary on the VfM arrangements highlighting any significant weaknesses identified.

The external auditor's opinion on the Police and Crime Commissioner's 2020/21 financial statements was an unqualified opinion.

5. SIGNIFICANT GOVERNANCE ISSUES

A summary of how the significant issues identified in the 2019/20 Annual Governance Statement have been managed

As stated in 2019/20	Current position
Health and Safety Internal Audit issued a no assurance report following their review, although a follow of the actions agreed in that report was performed in February 2020 showed good progress towards implementation. This area will be subject to another audit in 2020/21 to ensure actions have been embedded within processes.	A further audit of Health and Safety and follow up of outstanding actions was performed which confirmed that all actions had been completed
Procurement	Issues identified in 2019/20 have been

<p>Internal Audit issued a partial assurance following their review (draft). This covered the tri- force collaborated service and was in transition to a new 7force arrangement, this transition has since been completed. Internal Audit will follow up the issues identified within their 2020/21 plan with reviews of the new service.</p>	<p>carried forward into 2020/21 and noted below.</p>
<p>Coronavirus Business Continuity Plans are in place which are updated and kept under review, anticipating the effects on staff resilience (both officers and civilian staff), with the need to have flexible operational arrangements to deal with peak periods of demand, and adapt to a changing local and national situation.</p>	<p>Issues identified in 2019/20 have been carried forward into 2020/21 and noted below</p>

A summary of significant issues identified in 2020/21

COVID

The OPCC recognised the impact on the Constabulary and therefore adopted a proportionate approach to monitoring requirements to enable the Constabulary to deal with policing the pandemic. Monthly BCB meetings continued where the A/PCC held the Chief Constable to account including on the response to policing Covid. Control measures within the risk register were maintained.

All OPCC staff were able to work from home and meetings have become virtual, both internally and with partners.

The OPCC were able to award an additional £592k in grants for services working with Domestic Abuse/Sexual Violence during Covid.

A 7F Procurement process for electronic signatures was introduced instead of sealing contracts. Also, 7F Procurement took a proportionate approach to due diligence during Covid to support the supply chain.

BCH Procurement follow up

Internal Audit reported that in their opinion the organisations had demonstrated poor progress in implementing the agreed management actions from at the time of the audit in 2019/20 a further audit of this area has been planned for 2021/22. Whilst progress was made within the new 7 Force service in implementing actions, Internal Audit we were not able to perform any sample testing of transactions below the £50k threshold which are the responsibility of local teams, as systems are not in place to enable the monitoring of these contracts and therefore compliance checks against the Financial Regulations could not be undertaken.

6. CONCLUSION

Based on the opinion of the Head of Internal Audit and our own ongoing work, we are satisfied that our arrangements for governance, risk management and control are adequate and effective.

I propose to address the above matters to further enhance my governance arrangements and will monitor the implementation and operation of these improvements.

Signed

Darryl Preston
Police and Crime Commissioner

James Haylett
Chief Executive

Date:

Date: