

ORIGINATOR: ASSISTANT CHIEF OFFICER

PAPER NO: AC22/13

SUBMITTED TO: AUDIT COMMITTEE 24 JUNE 2022

**SUBJECT: CHIEF CONSTABLE OF SUFFOLK CONSTABULARY
ANNUAL GOVERNANCE STATEMENT 2021/22**

SUMMARY:

1. The Audit Committee is required to consider the corporate governance arrangements for the Police and Crime Commissioner and Chief Constable, which includes reviewing their Annual Governance Statements.
2. The draft Annual Governance Statement 2021/22 for the Chief Constable of Suffolk Constabulary is presented at appendix A for consideration. This is in advance of its adoption by the Chief Constable alongside the Constabulary's Statement of Accounts 2021/22.
3. The statement contains a review of the Chief Constable's governance arrangements and their effectiveness including the systems of internal control and risk management and reports on any significant governance issues during the year.

RECOMMENDATION:

1. The Audit Committee is requested to consider the Chief Constable's draft Annual Governance Statement 2021/22.

DETAIL OF THE SUBMISSION

1. INTRODUCTION

- 1.1 The Police and Crime Commissioner and Chief Constable, as separate legal entities, are required under the *Accounts and Audit Regulations 2015* to prepare Annual Governance Statements.
- 1.2 The draft Annual Governance Statement 2021/22 for the Chief Constable of Suffolk Constabulary is provided at appendix A. The Statement contains a review of the Chief Constable's governance framework and its effectiveness including the systems of internal control and risk management and reports any significant governance issues during the year.
- 1.3 The draft Annual Governance Statement 2021/22 is a key governance document and is presented to the Committee for consideration prior to its approval and adoption by the Chief Constable. It will be published with the draft Statement of Accounts 2021/22 on the Constabulary's website before the end of July 2022.
- 1.4 The final Annual Governance Statement 2021/22 accompanies publication of the Chief Constable's Statement of Accounts 2021/22 and will be published following audit and approval of the accounts.

2. FINANCIAL IMPLICATIONS

- 2.1 There are no financial implications to report.

3. OTHER IMPLICATIONS AND RISKS

- 3.1 There are no other implications and risks to report.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	No
Has the PCC's Chief Finance Officer been consulted?	Yes
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	Yes
Have human resource implications been considered?	Yes
Is the recommendation consistent with the objectives in the Police and Crime Plan?	Not applicable
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	Not applicable
Has communications advice been sought on areas of likely media interest and how they might be managed?	No – not considered necessary.
Have all relevant ethical factors been taken into consideration in developing this submission?	No – not considered necessary.



SUFFOLK CONSTABULARY

DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22 FOR THE CHIEF CONSTABLE OF SUFFOLK CONSTABULARY

1. INTRODUCTION

The draft Annual Governance Statement 2021/22 covers the financial year 2021/22 and plans for the financial year 2022/23 and reflects the position up to 24 June 2022.

2. SCOPE OF RESPONSIBILITIES

The Chief Constable is responsible for ensuring that the Constabulary's 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.

In discharging this overall responsibility, the Chief Constable is also responsible for putting in place proper arrangements for the governance of the Constabulary's affairs and facilitating the exercise of its functions, which includes ensuring there is a sound system of governance incorporating the system of internal control, which is maintained throughout the year and that arrangements are in place for the management of risk.

The Chief Constable's financial management arrangements conform to the governance requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) *Statement on the Role of the Chief Finance Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable*.

The Police and Crime Commissioner (PCC) has approved and adopted a Code of Corporate Governance, which is consistent with CIPFA's *Delivering Good Governance: Guidance Notes for Policing Bodies in England and Wales*. A copy is available on the PCC's website www.suffolk-pcc.gov.uk or can be obtained from [Suffolk Constabulary, Police Headquarters, Martlesham Heath, Ipswich, IP5 3QS](#).

This statement explains how the Chief Constable has complied with the Code of Corporate Governance and also meets the requirements set out in the *Accounts and Audit Regulations 2015 6(1)* to review the effectiveness of the system of internal controls and prepare an annual governance statement.

3. PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values by which the Chief Constable directs and controls activities through which he accounts to

and engages with the community. It enables him to monitor the achievement of the Constabulary's strategic objectives and to consider whether those 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 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 on-going process designed to identify and prioritise the risks to the achievement of the 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.

The governance framework has been in place for the Chief Constable for the year ended 31 March 2022 and up to the date of approval of the statement of accounts.

4. THE GOVERNANCE FRAMEWORK

The Chief Constable is responsible for operational policing matters, having direction and control over the Constabulary's police officers and police staff, and is responsible for putting in place proper arrangements for the effective governance of the Constabulary and a sound system of internal controls that supports the achievement of the Constabulary's policies, aims and objectives. He has day-to-day responsibility for the Constabulary's financial management set within a framework of an agreed budget allocation and authorisation levels issued by the PCC and is held to account by the PCC.

The following section describes the governance arrangements and the supporting systems and processes in place for the Constabulary.

4.1 Governance Arrangements

Accountability and Performance Panel

- The Accountability and Performance Panel is chaired by the PCC. Its purpose is to hold the Chief Constable to account and to enable issues to be discussed and where appropriate make decisions in public. This includes holding the Chief Constable to account for the management of the funds provided to him for the purpose of policing and the delivery of the strategy and objectives set out in the police and crime plan.

Joint Audit Committee

- The purpose of the Joint Audit Committee is to provide independent advice and recommendations to the PCC and the Chief Constable on the adequacy of the governance and risk management frameworks, the internal control environment, and

financial reporting, thereby helping to ensure efficient and effective assurance arrangements are in place.

- The Joint Audit Committee takes assurance from inspections carried out on the Office of the Police and Crime Commissioner and Constabulary from a number of sources that include internal audit, external audit and Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). An annual report of the Committee's activities is available on the PCC's website.

Chief Officer Team

- The Chief Officer Team meets weekly at the Chief Officer Management Group to monitor, review, and give chief officer-level direction for key strategic issues where necessary and to enable coordination across the organisation for the delivery of key strategic and operational objectives.
- Chief Officer governance and management is undertaken through attendance at the Accountability and Performance Panel meetings and by chairing various internal meetings. These include the Joint Chief Officer Team meetings; the Joint Suffolk and Norfolk Organisation Board; the Strategic Planning and Monitoring Group; and the Performance Group.
- Suffolk and Norfolk Constabularies and Chief Officer Teams collaborate extensively. The Programme Management Office oversee all collaborative activities on a day-to-day basis, monitor progress against the agreed programme and report upwards into the Joint Norfolk and Suffolk Organisational Board and onwards to the Joint Chief Officer Team and the Suffolk and Norfolk PCCs.
- The Chief Officer Team is supported by senior operational and non-operational managers.

4.2 Planning

The Police and Crime Plan 2017/2021, which has applied from 1 January 2017, presents the PCC's police and crime objectives. These have been translated into an action plan which drives day-to-day activities with progress monitored under the PCC's performance management framework. A delivery plan outlining specific actions, timescales and milestones has been produced that drives delivery by the Constabulary. The PCC has published a new police and crime plan, which extends from 2022 to 2025 and applies from 1 April 2022.

There are co-ordinated processes for strategic and financial planning. These consider policing priorities at local, regional, and national levels; risks; efficiency savings; value for money principles; and financial resilience criteria. The work involves liaising with officers and staff across the Constabulary and a process of scrutiny and challenge by Chief Officers

to ensure that the plan reflects the strategic aims of the Chief Constable and the PCC. The Chief Constable has published his 3-year strategic plan. This contains the Constabulary's operational and organisational priority outcomes for 2020/21 to 2023/24. A copy of this plan is available on the Constabulary's website. This is supported by the Medium Term Financial Plan 2022/23 to 2025/26 and annual balanced budget for 2022/23 that was approved by the PCC on 17 January 2022.

4.3 Performance Management

There is a Constabulary performance management framework. Objectives and performance indicators are established and monitored both at a Constabulary and local area level. Reports are provided regularly to senior managers, the Chief Officer Team and to the PCC on performance against objectives.

4.4 Public Confidence and Satisfaction

The Constabulary measures the satisfaction of service users through the use of victim surveys. Levels of victim satisfaction are monitored through the Constabulary's regular performance meetings and a Public Confidence Board that meets bi-monthly to set the strategic direction and oversee the work focussed on increasing public confidence and satisfaction in policing services in Suffolk. The Constabulary reports regularly to the PCC on levels of satisfaction as one of his agreed police and crime plan's objectives and reviews public confidence through the annual Crime Survey for England and Wales published by the Office of National Statistics.

4.5 Internal Control and Compliance

The roles and responsibilities of senior officers within the Constabulary are established by a scheme of governance and consent, financial regulations, common law, legislative requirements, and police officer and police staff role profiles.

Scheme of Governance and Consent

- The PCC has adopted a scheme of governance and consent, including financial regulations, contract standing orders, and various codes of practice as part of his governance arrangements. They are reviewed periodically in accordance with requirements and copies are available on the PCC's website. The Constabulary has to adhere to requirements contained in these documents and that form a core part of the governance framework.

Risk Management

- Both the PCC and the Chief Constable maintain strategic risk registers which are regularly reviewed. Risk management policies and procedures are in place to ensure

that the risks facing the PCC and Chief Constable in achieving objectives are identified, evaluated, and reported.

- A Joint Suffolk and Norfolk Constabularies' risk management policy includes details of the risk management framework for Suffolk Constabulary. The policy supports a 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 within the Constabulary.
- All legal requirements for insurance were met and insurance policies were reviewed as necessary as part of agreed regional consortium arrangements.

Fraud

- The Anti-Fraud and Corruption Policy sets out the processes for identifying and responding to fraud. Fraud is deterred through the exercise of policies and procedures, through regular internal audits, vetting of police officers and police staff and a whistleblowing policy.
- Financial Regulations set out the requirement for internal financial controls, including the approach to preventing fraud and compliance, together with the arrangements for dealing with suspected fraud, theft, irregularity and improper use or misappropriation of property or resources.
- The Constabulary's intranet is used to remind police officers and police staff of their responsibilities relating to fraud, ethical behaviour, and other related matters.

Code of Ethics

- The Code of Ethics, published 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, staff, contractors, or volunteers and is embedded throughout the organisation.
- An ethics committee allows police officers and police staff to raise ethical issues affecting the Constabulary and an integrity board ensures the fair application of policy and process. Breaches of the Code of Ethics or standards of professional behaviour are investigated by the Joint Professional Standards Department in accordance with Police Regulations.

4.6 Joint Audit Committee Reports

The Joint Audit Committee considered the findings contained in reports prepared by the PCC's and Constabulary's internal auditor, TIAA. In 2021/22, TIAA carried out 13 reviews of

which 12 provided an overall assurance opinion for the audit area and 1 review on seized monies was an advisory follow-up. Audits were designed to assess the extent to which the internal controls were adequate to ensure that activities and procedures were operating to achieve the PCC's and Chief Constable's objectives.

The Joint Audit Committee could take reasonable or substantial assurance that the internal controls tested were suitably designed, consistently applied and effective for all 12 reviews.

Recommendations have been made and accepted by the Constabulary to further strengthen the control environment. The internal auditors will report progress on the implementation of the recommendations and their compliance to the Joint Audit Committee.

4.7 Coronavirus Pandemic

Suffolk Constabulary has implemented contingency plans and new ways of working in response to the coronavirus pandemic since March 2020. The Constabulary's operational response has been governed through a three-tier strategic, tactical, and operational command structure headed jointly with Norfolk Constabulary by a Deputy Chief Constable. A Detective Chief Superintendent took command of the joint operation from June 2021.

This structure remained in place throughout 2021/22. The operational response was stepped down in line with the lifting of restrictions, government advice and National Police Chiefs Council's guidance and local assessment of risks to officers and staff, and to service delivery. The government continued to reimburse the Constabulary for the costs of medical and non-medical grade PPE in 2021/22.

5. REVIEW OF EFFECTIVENESS

The Chief Constable has responsibility for conducting an annual review of the effectiveness of the governance framework, including the system of internal control. This review has been informed by the work of the Constabulary, internal and external audit, and other review agencies and inspectorates.

5.1 Corporate Governance Assurance Group

The Corporate Governance Assurance Group (CGAG) was established to review the corporate governance framework and systems of internal control and to prepare the Annual Governance Statement. The group comprises the Chief Constable's Chief Finance Officer, the PCC's Chief Finance Officer and the Head of Finance. The results were presented to the Chief Constable. Members were involved in the oversight of the governance framework and its processes and the review of its effectiveness. During 2021/22, the CGAG assessed assurance against each of the major activities undertaken within the Constabulary and compliance with the Code of Corporate Governance.

5.2 Compliance with CIPFA Financial Management Code

The CGAG performed an assessment of the Constabulary's compliance against the CIPFA Financial Management Code (FM Code). The FM Code provides guidance for good and sustainable financial management. Compliance with the FM Code provides assurance that the Constabulary is managing its resources effectively. Performance was assessed against the following seven areas:

1. The responsibilities of the Chief Finance Officer and leadership team.
2. Governance and financial management style.
3. Medium to long-term financial management style.
4. The annual budget.
5. Stakeholder engagement and business cases.
6. Performance monitoring.
7. External financial reporting.

This is the second year the Constabulary has assessed itself against the FM Code. Recommendations identified in 2020/21 were implemented in full in 2021/22. Results of this year's self-assessment showed that the Constabulary was compliant with the FM Code across all of the above areas.

5.3 Internal Audit

The Head of Internal Audit's interim opinion covering 2021/22 is as follows:

TIAA is satisfied that, for the areas reviewed during the year, for the Police and Crime Commissioner for Suffolk and Chief Constable of Suffolk Constabulary effective risk management, control and governance processes are in place.

The Head of Internal Audit has arrived at this opinion through:

- Risk-based audit needs analysis from which activity has been prioritised over a three-year planning horizon to design an internal audit strategy.
- Designing and applying a risk-based methodology that is consistent with the requirements of the Public Sector Internal Audit Standards.
- Delivery of individual assurance reports during the year and agreeing action plans with business owners to secure improvements.
- Monitoring the implementation of previous recommendations throughout the year and assessing progress as reasonable.
- Confirmation that the coronavirus pandemic did not impact on the delivery of the internal audit plan for 2021/22 and that sufficient assurance was gained to support the opinion.

There were no further issues identified by the internal auditor, other than those already disclosed, that require mentioning in the Annual Governance Statement as significant control weaknesses.

5.4 Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services

New approach to PEEL inspection

HMICFRS has moved to a more intelligence-led, continual assessment approach to conducting its police effectiveness, efficiency and legitimacy (PEEL) inspections. Suffolk Constabulary was one of the pilot Constabularies in 2020/21 for the new inspection programme and received a follow-up inspection in 2021/22.

The Constabulary's Corporate Improvement and Innovation Team and Performance Improvement Unit led on the preparatory work involved in the PEEL inspection and organising the logistical aspects of both the pilot and follow-up inspections.

HMICFRS made its initial judgements in May 2021 and its follow-up judgements in May 2022. It plans to publish its report in July 2022.

HMICFRS Reports

All reports published by HMICFRS containing recommendations or actions for improvement (AFIs) for the police, whether they are specific to Suffolk or applicable at a national level, require comment from the Chief Constable on how the Constabulary intends to progress any recommendations or AFIs.

All recommendations arising from HMICFRS reports, both Suffolk-specific and national, are recorded centrally and allocated to strategic leads. There is also an online tracker where all forces can access updates on progress nationally.

The Deputy Chief Constable chairs an internal monthly meeting to monitor progress of these recommendations and to ensure that progress matches the required time-scale. Progress against is also monitored through the Accountability and Performance Panel chaired by the PCC. Inspection reports are available from the HMICFRS and PCC websites.

5.5 Data Security

Suffolk Constabulary made three referrals to the Information Commissioners Office (ICO) in 2021/22 (2020/21: four). Whilst one referral remains ongoing, the other two referrals have resulted in no formal action from the ICO. It recommended additional training and that lessons learned from the data breaches were communicated across the Constabulary. These recommendations have been completed.

6. SIGNIFICANT GOVERNANCE WEAKNESSES

There were no significant weaknesses in the Constabulary's system of internal controls in 2021/22 that affected the achievement of the Chief Constables' key policies, aims and objectives.

Stephen Jupp
Chief Constable

24 June 2022

Kenneth Kilpatrick
Chief Finance Officer

24 June 2022

Signed on behalf of the senior officers and the senior staff of Suffolk Constabulary.