



ANNUAL GOVERNANCE STATEMENT FOR THE CHIEF CONSTABLE FOR SUFFOLK

1. INTRODUCTION

This Annual Governance Statement reflects the position as at September 2013 including the financial year 2012-13, and plans for the financial year 2013-14.

On 22 November 2012, during the financial year 2013-14, the Police and Crime Commissioner (PCC) for Suffolk commenced in office following the abolition of the Suffolk Police Authority (the Authority) on 21 November 2012. The governance arrangements that existed until the Authority's abolition are effectively and comprehensively described in the Authority's final Annual Governance Statement which was executed by the Chairman and the Chief Executive of the Authority on 21 September 2012. A copy of the Authority's final Annual Governance Statement can be accessed via the PCC website at www.suffolk-pcc.gov.uk or can be obtained from the PCC's Offices at Police Headquarters, Martlesham Heath, Ipswich, IP5 3QS.

2. SCOPE OF RESPONSIBILITIES

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

In discharging this overall responsibility, the Chief Constable is also responsible for putting in place proper arrangements for the governance of his affairs and facilitating the exercise of his 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.

The Chief Constable's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government: Framework.

The Chief Constable has approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE framework: Delivering Good Governance in Local Government.

A copy of the Constabulary code can be found on the website www.suffolk.police.uk or obtained from Suffolk Constabulary, Police Headquarters, Martlesham Heath, Ipswich, IP5 3QS.

This statement explains how the Chief Constable has complied with the Code and also meets the requirements of regulation 4[3] of the Accounts and Audit (England) Regulations 2011 in relation to

the review of the effectiveness of internal controls and the publication of an annual governance statement.

3. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values by which the Chief Constable is directed and controlled, and the activities through which he accounts to and engages with the community. It enables the Chief Constable to monitor the achievement of the 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 ongoing 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 under the Commissioner and Chief Constable for the period from 21 November 2012 up to the date of approval of the statement of accounts.

4. THE GOVERNANCE FRAMEWORK

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 Constabulary.

The following narrative describes the key elements of the systems and processes that comprise the governance arrangements that have been put in place for the Constabulary.

4.1 Planning

The PCC has 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 establishes the PCC's vision and objectives for residents and service users.

There is a co-ordinated process for strategic and medium-term financial planning that covers the period 2013-14 to 2016-17. This takes into account risk, local and national priorities and meeting efficiency savings, value for money principles and financial resilience criteria in order to produce a medium term view and an annual balanced budget. The work involves liaising closely with operational staff and budget managers followed by a detailed process of scrutiny and challenge by Chief Officers in order to ensure that the plan reflects the strategic aims of the Constabulary and the PCC.

The financial strategy reflects the corporate and operational objectives of the Constabulary and the PCC. Delivery of a balanced budget against the 4 year period of the MTFP is dependent upon the Constabulary delivering continued planned savings and currently unplanned savings initiatives. This represents a significant operational challenge and progress will be monitored by the Chief Constable and Chief Officer Team on a monthly basis.

The Constabulary gathers data and intelligence from a range of sources to produce an annual Strategic Assessment. This takes into account all relevant internal and external factors that might impact upon crime and disorder at county and local level and it is then used to develop the policing

control strategy for the next period. Separate pieces of strategic analysis have been undertaken for joint Norfolk / Suffolk units, with relevant issues incorporated into the overall strategic assessment.

4.2 Performance Management

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 PCC on performance against key indicators. This includes detailed analysis and scrutiny of performance and compares performance against the most similar family of forces.

Financial performance against the revenue budget, capital programme and levels of reserves is reported monthly to the PCC, CC, Command Team and Senior Managers.

The Joint Performance and Analysis Department (JPAD), under the lead of the Head of Department, undertakes analysis, research, consultation and internal inspection 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.

JPAD produces analytical work to support a number of forums and groups, delivering strategic and tactical products which facilitate advanced resource planning and threat, risk and harm identification management, hereby minimising costs to the organisation. 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.

4.3 Satisfaction

The Constabulary undertakes surveys with victims to measure satisfaction with the service provided and identify areas for improvement (in accordance with Home Office requirements). Victims are also invited to attend focus groups to allow the Constabulary to obtain further details and qualitative information. The Constabulary has a Customer Service Desk; which calls victims of crime to ensure a high quality service is delivered.

The Constabulary has a wide and diverse programme of local engagement and consultation with the wider public and this includes public perception surveys, virtual panels, focus groups, events, and workshops. Consultation results are fed back at a local level to SNTs/Local Policing Commanders as well as to County Policing Command, Chief Officers and the office of the PCC.

4.4 Internal Control and Compliance

The roles and responsibilities of senior officers within the Constabulary are established by the Scheme of Delegation, Financial Regulations, common law, legislative requirements and role profiles.

The Chief Constable has informal weekly meetings with the Commissioner, bi-monthly public meetings through the Accountability & Performance Panel. Each Chief Officer controls a portfolio covering a designated range of activities. These Chief Officers have their performance reviewed monthly, and have objectives formally recorded annually by the Chief Constable.

Codes of Conduct

Codes of Conduct have been developed and communicated for police officers and staff that define the standards of behaviour. Police officer conduct is governed by the national Police Conduct Regulations. Formal policies exist in respect of whistle blowing, public complaints, anti-fraud and corruption and the need to maintain a register of interests.

Governance Scheme

The PCC has adopted Standing Orders, a Scheme of Delegation, Financial Regulations, Contract Standing Orders and various codes of practice as part of his governance arrangements. The Constabulary has to adhere to these documents that form a core part of the governance framework. These are reviewed periodically in accordance with requirements.

Risk Management

Detailed risk management policies and procedures are in place to ensure that the risks facing the Chief Constable in achieving objectives are identified, evaluated and reported.

In addition, the Chief Constables of Norfolk and Suffolk are currently engaged in drafting a Joint Risk Management Framework, to be adopted by both forces, and based upon Enterprise Risk Management principles. This will be employed in respect of all Collaborative, Norfolk only and Suffolk only activities. This will ensure that officers and staff from both forces can access and will employ one set of transferable skills and processes.

A robust approach is in place to ensure the continuing achievement of Corporate Objectives and Performance Priorities.

All legal requirements for insurance are met and insurance policies are reviewed as part of agreed regional consortium arrangements.

4.5 Accountability to the Community

Communication and engagement

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 Direct service to receive details of local crimes, initiative and engagement opportunities via e-mail, voicemail or text.

The Constabulary Community Engagement and Consultation Strategy sets out the arrangements for obtaining and understanding the views of a wide range of local communities, businesses and partner agencies. The Constabulary consults with these groups to ensure good information is available for decision making in respect of policing priorities and the strategic assessment.

Additionally the Constabulary can ensure services are accessible to all communities and that there are opportunities for all diverse communities to have their voice heard. The Customer Service and Consultation Team undertake this work on behalf of the Constabulary and PCC and to ensure compliance with the Police Reform and Social Responsibility Act 2011. Additionally, the Constabulary and Police and Crime Commissioner (PCC) joint paper outlines how the 'arrangements for obtaining the views of the community and victims' will be met. A wide range of activity is undertaken, including the use of public perception surveys, virtual panels, focus groups, events, and workshops.

Safer Neighbourhood Teams (SNTs) hold quarterly meeting to engage with local communities and identify local priorities/issues. This information is available via the Constabulary internet. The Constabulary Community Safety Team and Diversity Unit also regularly engage with communities across the County. Local engagement will also be undertaken as part of the PCCs district meetings later in the year.

Consultation results are fed back at a local level to SNTs/Local Policing Commanders as well as to County Policing Command, Chief Officers and the office of the PCC.

Partnerships

Suffolk Constabulary collaborates extensively with Norfolk 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 Suffolk and Norfolk meet regularly during the year along with the Chief Constables to consider issues impacting on the organisations and to discharge the governance responsibilities between Suffolk and Norfolk. In addition to this there are governance arrangements that cover operational managers and Chief Officers. The main driver has been to maintain the effectiveness of operational and organisational support but to drive out savings through economies of scale in order to protect front line resources wherever possible.

There are also services that are subject to on-going regional collaboration. An example of this is the establishment of a six force collaboration for serious and organised crime which is being delivered through a formal agreement. Other regional opportunities are being explored and should opportunities arise will be subject to PCC approval before commencing.

The Constabulary also has a good track record on sharing properties with other local government partners. These include shared accommodation with the County Council at Landmark House in Ipswich; with the Fire Service at Ixworth, Elmswell, Framlingham and Debenham; and with the NHS in Eye. Further opportunities for sharing properties continue to be explored.

The PCC and Constabulary work closely with partners in order to deliver county wide objectives around community safety issues. Each of these partnerships is subject to its own governance arrangements.

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 audit
- The system of internal control

These reviews have been informed by the work of the Constabulary, internal auditors, and also officers of the PCC who have the responsibility for the development and maintenance of the governance environment. In addition, comments made by the external auditors and other review agencies and inspectorates have informed this review.

The roles and processes that have been applied in maintaining and reviewing the effectiveness of internal control include the following:

Corporate Governance Assurance Group

This group has been established to review the corporate governance framework and systems of internal control and to prepare the Annual Governance Statement for consideration. The group comprises the Chief Constable, the Assistant Chief Officer (Resources) and the Head of Joint Finance. These officers have involvement in the oversight of the governance framework and its processes and therefore the review of its effectiveness. During 2012-13 the Group assessed assurance against each of the major activities undertaken within the Constabulary and compliance with the Code of Corporate Governance. As part of this the Group has taken account of the information described in more detail in this section.

Internal Audit

Internal audit provide independent and objective assurances across the whole range of the Constabulary's activities and regularly present their findings to the joint Audit Committee of the PCC and Chief Constable. They take a managed audit approach in conjunction with external audit to ensure that all necessary areas of compliance are covered. The programme is prepared and agreed with the PCC and Constabulary following a risk based assessment. The managed audit approach has been developed successfully over past years, in agreement formerly with external audit to bring further efficiency to audits.

The external auditor is able to place reliance on the work of internal audit and has assessed that they provide an effective system overall. This was confirmed in a report to the Audit Committee on 13th June 2013. Internal audit are required to give an overall opinion on the adequacy and effectiveness of the framework of the internal control and risk management environment. For 2012-13 each audit finding is given an audit opinion of High Standard, Effective, Ineffective or Poor which then provides an overall report classification using the same definitions.

External Audit and Other External Review Bodies

External audit provide 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. The last Audit Commission annual governance report, issued in September 2012, identified that overall the former Police Authority had an adequate control environment.

Following the abolition of the Audit Commission by the government, new external auditors, Ernst & Young were appointed from October 2012. Ernst & Young are due to issue annual governance reports in September 2013 that will cover both the PCC and Chief Constable.

The Constabulary is subject to review from HMIC and has been inspected over the period in a number of nationally assessed areas. This included the recent Valuing the Police 3 (VTP3) inspection which assessed whether the Constabulary were in a sound position to meet the significant financial challenges ahead; the conclusion was that the Constabulary were in a sound position to meet those challenges and were commended on its collaboration programme with Norfolk.

The Constabulary has also received the accolade of 'best in class' for the Joint Inspection with Her Majesty's Inspector of Prisons of the provision of Custody facilities in Norfolk and Suffolk. A further inspection looked at private sector partnering in relation to custody provision and the Constabulary received positive feedback on the arrangements in place.

The HMIC inspection on Stop and Search also specifically highlighted an aspect of the Constabularies practice around seeking feedback from subjects of Stop Search as nationally recognised best practice.

Police and Crime Panel

The Panel provides a check and balance in relation to performance of the PCC. The Panel scrutinises the PCC's exercise of their statutory functions. The Constabulary may attend to give information but is not held to account by the Panel.

The Constabulary's role is to support the PCC in these meetings where requested, and to support the delivery of the Police and Crime Plan.

Interim Audit Committee

The Audit Committee for the PCC and Chief Constable discharges the functions of an Audit Committee as suggested by the Guidance for Local Authorities on Audit Committees (2005) published by the Chartered Institute for Public Finance and Accountancy (CIPFA). The Audit Committee was established in the first instance in February 2013 as an interim Audit Committee to meet on three occasions in the period until 30 September 2013. Arrangements are being made to appoint a substantive Audit Committee for the period from 1 October 2013 onwards.

The interim Audit Committee has performed the functions as set out in the CIPFA Guidance and achieved its purpose:

“to provide independent assurance on the adequacy of the risk management framework and the associated control environment, independent scrutiny of the organisation's financial and non-financial performance to the extent that it affects exposure to risk and weakens the control environment, and to oversee the financial reporting process.”

For further information upon the interim Audit Committee and in particular the core functions of the Committee reference should be made to PCC Decision No 11-2013.

Collaborative Governance

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 Suffolk / Norfolk 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 Commissioners. This is underpinned by formal agreements covering the legal aspects of collaboration. A similar process applies to Regional proposals.

A Programme Management Office has been established to oversee all collaborative activities on a day to day basis, monitor progress against the agreed programme and report upwards into a Joint Norfolk and Suffolk Programme Co-ordination Board and onwards to the Joint Chief Officer Team and the Commissioners.

Suffolk and Norfolk Commissioners have latterly adopted a common set of Financial Regulations and Contract Standing Orders reflecting the significant level of collaborative activity between the two forces. From November 2012 up to the adoption of the common documents, each Commissioner had his own set.

The Corporate Governance Assurance Group has concluded that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas to be specifically addressed with new actions planned are outlined below.

5. SIGNIFICANT GOVERNANCE ISSUES

Transfer Order Stage 2

Preparation for the abolition of Suffolk Police Authority and the introduction of the PCC was undertaken by the Authority and the Constabulary up to November 2012. At this point the elections were held for the PCC, and the role commenced on 21st of that month. Since that date the PCC has built on the preparations of the Authority, and has ensured that appropriate governance arrangements are in place.

The Police Reform and Social Responsibility Act 2011 provided that on 21 November 2012, all existing rights, assets and liabilities transferred from the Authority to the PCC. This included the transfer of all police staff and was referred to as the "Stage 1" transfer. The Act also provides for a second "Stage 2" transfer. The Home Secretary has directed that each PCC submit a Transfer Scheme to her by the 16th September 2013 setting out those police staff who will transfer from the employment of the PCC to the Chief Constable, to be effective from 1 April 2014.

Transfer "Stage 2" will impact upon corporate governance and a number of the governance mechanisms described in this statement will need to be reviewed so that appropriate arrangements are put in place for the Chief Constable for the period from 1 April 2014 onwards. Steps have been put in place to navigate this next transition phase. A transition project group has been established comprising senior officers from the Offices of the PCCs and the Constabularies for both Norfolk and Suffolk, in view of the extensive collaborative activity. This is a significant governance issue for the PCC and Chief Constable and preparations will be carried out for this during 2013-14.

Signed:

Douglas Paxton
Chief Constable of Suffolk Constabulary

Phillip Clayton
Chief Finance Officer Suffolk Constabulary

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

30 September 2013