



Peter McCall

# Office of the Police and Crime Commissioner Report

REQUEST FOR POLICE & CRIME COMMISSIONER DECISION - (N°013/ 2019)

**TITLE: Effectiveness of Governance Arrangements for OPCC 2018/19**

**Executive Summary:** (Précis not more than 100 words)

The Commissioner to receive a report from the Chief Executive and Chief Finance Officer regarding the arrangements for governance and accompanied by the Commissioner's Annual Governance Statement for 2018/19.

**Recommendation:**

The Commissioner is asked to:

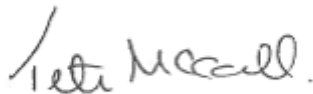
- i. Where applicable, consider the recommendations of the Joint Audit Committee, determining any actions and/or amendments to the Code of Corporate Governance 2019/20 and Annual Governance Statement 2018/19
- ii. Approve for signature, where applicable with amendments, the Annual Governance Statement for 2018/19 and to the date of this meeting, which will then accompany the Statement of Accounts for 2018/19

**Police & Crime Commissioner**

I confirm that I have considered whether or not I have any personal or prejudicial in this matter and take the proposed decision in compliance with the Code of Conduct for Cumbria Police & Crime Commissioner. Any such interests are recorded below.

I hereby approve/~~do not approve~~ the recommendation(s) above

**Police & Crime Commissioner / ~~Chief Executive~~ (delete as appropriate)**



**Signature:**

**Date: 09 May 2019**

**PART 1 – NON CONFIDENTIAL FACTS AND ADVICE TO THE PCC**

**1. Introduction & Background**

Each local government body operates through a governance framework which brings together an underlying set of legislative requirements, governance principles and management processes. The 2015 Accounts and Audit Regulations place a requirement on those bodies to conduct a review of the effectiveness of the system of internal control and prepare an Annual Governance Statement (AGS). The Commissioner is required to consider the findings of that review, approve the AGS and publish (which must include publication on the Commissioner’s website) the Statements alongside the Statement of Accounts.

**2. Issues for Consideration**

The Commissioner is the body charged with governance and must satisfy himself that the arrangements for governance are robust and properly reflected within the Annual Governance Statement. The entirety of those arrangements include the arrangements for Internal Audit. A separate report reviewing the effectiveness of the arrangements for Audit is set out elsewhere on the agenda. The report is supported by the Annual Report of the Joint Audit Committee and includes an assessment of the effectiveness of the internal audit function. That report concludes that the arrangements for audit are effective. The annual governance statement and the arrangements for compiling the statement are subject to annual audit. The

auditor has concluded that the arrangements for the AGS provide reasonable assurance. The auditor's report is included within this agenda.

**3. Implications (List and include views of all those consulted, whether they agree or disagree and why)**

- 3.1. Financial: n/a
- 3.2. Legal: The review of governance and the publication of an Annual Governance Statement meet the legal requirements of the Accounts and Audit Regulations 2015.
- 3.3. Risk: The Annual Governance Statement documents the arrangements for managing risk
- 3.4. HR / Equality: n/a
- 3.5. I.T.: n/a
- 3.6. Procurement: n/a
- 3.7. Victims: n/a

**4. Backgrounds / supporting papers**

(List any relevant business case, EIA, PID, Media Strategy and append to this form; list persons consulted during the preparation of the report)

Report on the Effectiveness of Governance Arrangements 2018/19 Annual  
Governance Statement 2018/19

**Public Access to Information**

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the PCC website within 3 working days of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would not compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? NO

If yes, for what reason:

Until what date (if known):

Is there a **Part 2** form - NO

(If Yes, please ensure Part 2 form is completed prior to submission)

**ORIGINATING OFFICER DECLARATION:**

I confirm that this report has been considered by the Chief Officer Group and that relevant financial, legal and equalities advice has been taken into account in the preparation of this report.

**Signed:** ..... **Date:** .....

**OFFICER APPROVAL**

**Chief Executive / Deputy Chief Executive (delete as appropriate)**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner / Chief Executive (delete as appropriate).

**Signature:** ..... **Date: 9 May 2019**

**Media Strategy**

The decision taken by the Police & Crime Commissioner may require a press announcement or media strategy.

Will a press release be required following the decision being considered? NO

If yes, has a media strategy been formulated? YES / NO Is the media strategy attached? YES / NO What is the proposed date of the press release:

Joint Audit Committee 23 May 2019 item 15i (b)  
Public Accountability Conference 09 May 2019 item 12a

# Cumbria Office of the Police and Crime Commissioner and The Chief Constable for Cumbria Constabulary

## Effectiveness of Governance Arrangements 2018/19

Report of the Chief Executive and Joint Chief Finance Officer

### 1. Introduction and background

- 1.1 In previous years a separate report on the effectiveness of arrangements for governance has been produced for the separate legal entities of The Police and Crime Commissioner and The Chief Constable for Cumbria Constabulary. In an effort to streamline processes, this report has been prepared as a joint report to cover both entities with details appropriate to each organisation as required.
- 1.2 Each local government body operates through a governance framework which brings together an underlying set of legislative requirements, governance principles and management processes. The 2015 Accounts and Audit Regulations place a requirement on those bodies to conduct a review of the effectiveness of the system of internal control and prepare an Annual Governance Statement (AGS). The Commissioner and Chief Constable are required to consider the findings of that review, approve the respective AGS and publish (which must include publication on the Commissioner's and Constabulary's respective websites) the Statements alongside the Statement of Accounts. The AGS are prepared in accordance with the CIPFA/SOLACE Good Governance framework that defines 'proper practices' for discharging accountability for the proper conduct of public business through the publication of an Annual Governance Statement that makes those practices open and explicit.
- 1.3 The Police and Crime Commissioner approves a Code of Corporate Governance, 'The Code', setting out his corporate governance framework. The Code is subject to review and updated annually alongside the process to review the arrangements for governance and prepare an Annual Governance Statement. The 2018/19 Code was subject to review by the Joint Audit Committee prior to approval by the Commissioner. It is the compliance with this Code by the Commissioner, together with an assessment of its effectiveness, which is reflected in the 2018/19 Annual Governance Statement.

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1.4 The Chief Constable approves a Code of Corporate Governance, 'The Code', setting out her corporate governance framework. The Code is subject to review and updated annually alongside the process to review the arrangements for governance and prepare an Annual Governance Statement. The 2018/19 Code was subject to review by the Joint Audit Committee prior to approval by the Chief Constable. It is the compliance with this Code by the Chief Constable, together with an assessment of its effectiveness, which is reflected in the 2018/19 Annual Governance Statement.

## 2. Governance Framework & Effectiveness

- 2.1 The annual review of the arrangements for governance and their effectiveness support the production of the respective Annual Governance Statements for both the Police and Crime Commissioner and the Chief Constable. The review provides assurance on governance arrangements and the controls in place to achieve the organisational objectives. The review has been prepared by the Commissioner's Chief Executive, the Joint Chief Finance Officer and Constabulary Senior Officers in accordance with the CIPFA delivering good governance in local government guidance note for Police 2016. The guidance supports the application of the CIPFA/SOLACE Good Governance Framework to Policing, recognising the specific structure and governance responsibilities arising from the 2011 Police Reform and Social Responsibility Act.
- 2.2 Within the OPCC, the approach to the production of the statement has been to use the CIPFA guidance, and particularly the guidance section on core governance principles. Those core principles and the arrangements that support them are set out in the 2018/19 Code of Corporate Governance approved by the Commissioner following review by the Joint Audit and Standards Committee in May 2018. The development of the Annual Government Statement is an integral part of the review, setting out how the Code has been complied with over the course of the year. Where the review has identified areas where developments are planned or improvements can be made, the AGS sets out an action plan to deliver those changes. The statement also highlights areas where further assurance is gained, such as the work of internal audit and the reports of the external auditors. The Commissioner's Annual Governance Statement setting out the review of governance arrangements for 2018/19 and to the date of this meeting, is presented to the Joint Audit Committee for review, prior to being received by the Commissioner for endorsement and publication alongside the Statement of Accounts.
- 2.3 Within the Constabulary, the approach to the production of the statement has been to use the CIPFA guidance, and particularly the guidance section on core governance principles. These have been used as a review checklist. The first stage of the process has been to ensure that the Chief Constable's Code of Corporate Governance adequately reflects all the requirements of the framework. The second stage of the process has been to ensure that the Governance Statement has evidence of the arrangements and practices in place to comply with the framework. Where the review has identified areas where developments are

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planned or it is identified that improvements can be made, the intended actions are outlined in the 'Areas for Further Development and Improvement' for each core principle. The statement also highlights areas where further assurance is gained, such as the work of internal audit, the reports of the external auditors and the results of inspections carried out by Her Majesty's Inspector of Constabularies, Fire and Rescue Services (HMICFRS). The Chief Constable's Governance Statement setting out the review of governance arrangements for 2018/19 and to the date of this meeting is presented to the Joint Audit Committee for review, prior to being received by the Chief Officer Group for endorsement and publication alongside the Statement of Accounts.

- 2.4 In previous year both internal audit and members of the Joint Audit Committee have raised concerns that the structure and length of the AGS made it difficult to read and reduced its accessibility to readers. In 2016/17 a summary AGS was produced for each entity which met the fundamental requirements of the statement in demonstrating governance arrangements and compliance with the respective Codes of Corporate Governance. The summary AGS was less closely aligned to each principle within CIPFA's guidance but had the benefit of reducing repetition. Members of the Joint Audit Committee were supportive of the new format. The Commissioner and Chief Constable therefore both decided to adopt the more summarised AGS as the principal document for 2017/18. In preparing the summarized AGS cognisance was taken of Grant Thornton's AGS checklist to ensure that both documents continue to deliver the essential requirements of the statement. The same summarised AGS format has been adopted by both organisations for 2018/19.
- 2.5 Whilst the above review of arrangements has been specific to the production of the Annual Governance Statements, this is supported by wider reviews of the arrangements for governance that take place during the financial year. This includes cyclical review and updates to core elements of the governance framework. During 2018/19 this has included a review and update of the Joint Procurement Regulations, Financial Regulations, Financial Rules and a review of the Joint Audit Committee terms of reference. In addition, the Public Sector Internal Audit Standards and guidance from CIPFA in respect of Audit Committees forms the basis of further reviews of the overall arrangements for audit, with action plans being put in place where potential for improvement and development have been identified. This is supplemented by specific assessments on compliance by the Joint Chief Finance Officer and Head of Internal Audit with the requirements of the CIPFA statement for these roles. The governance review is also supported by an annually developed comprehensive audit plan from internal and external audit and an opinion from the Head of Internal Audit on the arrangements for internal control and risk. Management assurances are obtained for all financial systems on an annual basis. These requirements, whilst challenging, has enabled an approach that has sought to ensure all arrangements take account of best practice, codes and guidance.

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### 3. The Effectiveness of Internal Audit

- 3.1 A separate report reviewing the effectiveness of the arrangements for Audit is set out elsewhere on the agenda and includes a review of the effectiveness of the internal audit function and the effectiveness of the Joint Audit Committee. The report demonstrates the effectiveness of the arrangements for Audit against independent and objective criteria as a contribution to good governance. In doing so it concludes the process of providing the necessary assurances that the governance arrangements set out in the respective Codes of Corporate Governance are working as intended and are effective.

### 4. The Code of Corporate Governance 2019/20

- 4.1 On an annual basis the respective Codes of Corporate Governance are reviewed and updated, setting out the framework for governance within the OPCC and Constabulary. The 2019/20 Codes of Corporate Governance applies the standards set out in the Delivering Good Governance in Local Governance Framework published by CIPFA in 2016, with particular reference to the guidance notes for policing bodies, which recognise the governance implications of the structural differences between policing and other areas of local government. The CIPFA good governance framework is the best practice standard for Public Sector governance. The 2016 governance framework is based on seven principles, as set out in the respective codes and has a much broader focus on delivering value for money, including outcomes and demonstrating effective performance, often working in partnership to achieve this in comparison with the previous code.

### 5. Recommendations

- 5.1 Members of the Joint Audit Committee are asked to:

(i) Review the respective Codes of Corporate Governance 2019/20

(ii) Review the respective Annual Governance Statements 2018/19

(iii) Make any recommendations with regard to the respective Codes, Statements and arrangements for governance for consideration by the Commissioner and Chief Constable prior to publication alongside the financial statements

- 5.2 The Commissioner and Chief Constable are asked to:

(i) Where applicable, consider the recommendations of the Joint Audit Committee, determining any actions and/or amendments to the respective Codes of Corporate Governance 2019/20 and Annual Governance Statements 2018/19.

(ii) Approve for signature, where applicable with amendments, the respective Annual Governance Statements for 2018/19 and to the date of this meeting, which will then accompany the respective Statements of Account for 2018/19.



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Gillian Shearer

Roger Marshall

Chief Executive

Joint Chief Finance Officer

**Human Rights Implications:** None Identified

**Race Equality / Diversity Implications:** None Identified

**Personnel Implications:** None Identified

**Financial Implications:** None Identified

**Risk Management Implications:** The Governance Statement and the underpinning reviews, including the Effectiveness of Internal Audit are designed and intended to provide assurance on and compliance with high standards of corporate governance, including effective control and mitigation of the risk environment in which the Commissioner discharges his respective responsibilities.

**Contact points for additional information:**

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## Police and Crime Commissioner for Cumbria

## Annual Governance Statement 2018/19

### INTRODUCTION AND SCOPE OF RESPONSIBILITIES

The Police and Crime Commissioner for Cumbria (the Commissioner) is responsible for ensuring business is carried out in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

To meet this overall responsibility, the Commissioner has put in place proper arrangements for overseeing what we do. This is what we mean by governance. These arrangements are intended to make sure that we do the right things, in the right way and are fair, open, honest and accountable.

Our arrangements for governance are set out within a Code of Corporate Governance ('The Code'). The Code explains the way the Commissioner governs and the frameworks that are in place to support the overall arrangements for fulfilling his functions. The Code of Corporate Governance is published alongside the Annual Governance Statement on the Commissioner's website at [www.cumbria-pcc.gov.uk](http://www.cumbria-pcc.gov.uk)

This Annual Governance Statement (AGS) describes how the Commissioner has followed The Code. It also meets the requirements of regulation 6(1) and 10(1) of the

Accounts and Audit Regulations 2015. The regulations say that we must prepare and publish an Annual Governance Statement (AGS) to accompany the Commissioner's statement of accounts.

### REVIEW OF EFFECTIVENESS

The key systems and processes that comprise the Commissioner's governance arrangements for 2018/19 have been guided by the seven core principles of Corporate Governance from the CIPFA/Solace Governance Framework applicable to the 2018/19 financial year. This is the standard against which all local government bodies, including police, should assess themselves.

The Commissioner has responsibility for conducting, at least annually, a review of the effectiveness of his governance framework including the system of internal control. The review of effectiveness is informed by the work of Chief Officers and senior managers who have responsibility for the development and maintenance of the governance environment. The review process comprises:

- A cyclical detailed review of the key documents within the Commissioner's governance framework.
- A review of the governance arrangements in place to support each core principle, culminating in an updated Code of Corporate governance.
- A review of what has happened during the past year to evidence how the governance framework has been complied with.
- A review of the effectiveness of the arrangements for Internal Audit. The review is supported by consideration of the opinion of the Chief Internal Auditor, as set out in his annual report.
- A review of the effectiveness of the Joint Audit and Standards Committee against CIPFA guidance on Audit Committees for Police.

The following Annual Governance Statement, demonstrating how the Commissioner has complied with the governance framework, set out within the Code, to meet of each of the seven governance principles. The Annual Governance Statement is published alongside the Statement of Accounts and also incorporates an action plan of planned future improvements for governance arrangements.

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

## REVIEW OF REQUIREMENTS AND ARRANGEMENTS

### Ethics and Integrity

The Commissioner has in place arrangements for anti-fraud and corruption, which have been reviewed in 2018/19 by the Governance Manager, the conclusions of which were reported to the Joint Audit Committee in May 2019. The review concluded that arrangements are effective. Whilst fraud risk remains low within the OPCC office, matters of integrity are re-enforced including enhanced arrangements in respect of recording gifts and hospitality and/or supplier contact. The anti-fraud and corruption arrangements also highlight mechanisms for confidential reporting and whistleblowing.

The process of commissioning services and award of grants present a potentially high risk with regard to integrity. Grant Regulations are in place to ensure that

grant awards are made in a fair, transparent and consistent manner and that appropriate conditions are attached to safeguard public money. An internal audit review in 2017/18, which focussed on the award of open grants, provided reasonable assurance and during 2018/19 recommendations arising from the audit have been implemented.

A fraud risk assessment undertaken by the Joint Chief Finance Officer in compliance with International Financial Reporting Standards did not reveal serious concerns.

In respect of the arrangements for standards, ethics and integrity, no complaints have been received against the Commissioner or members of his office in relation to matters of integrity.

During 2018/19 the Ethics and Integrity Panel have carried out dip sample processes and thematic inspections for a number of different areas of business including, adherence with the Code of Ethics and Code of Conduct, public complaints, police misconduct and staff misconduct cases, all of which were found to support high standards of ethics and integrity. This enabled the Police and Crime Commissioner to fulfil his statutory duty to have oversight of the Constabulary's complaints and misconduct processes.

The scope of the Panel's work has developed during 2018/19 through the completion of three thematic inspections, which began in 2017/18, in relation to the use of Stop and Stop/Search, the use of Body Worn Video and the operation of the Professional Discretionary Framework within the Constabulary's Communications Centre. The findings of the Panel's work, including recommendations, have been reported to the Commissioner's Public Accountability Conference to improve transparency and support public scrutiny.

The Joint Audit and Standards Committee received the 2018/19 annual report of the Ethics & Integrity Panel in May 2019 to support assurances in respect of arrangements for standards and ethical governance.

During 2017/18 new legislation giving Commissioner's explicit responsibility for the performance of the local complaints system and hearing misconduct appeals was expected to be enacted. The implementation of the new requirements has now been deferred awaiting legislation being approved by Parliament.

### Respecting the rule of law

Officers within the OPCC receive updates on changes in legislation through their professional bodies, APACCE, PACTS, the APCC and from the government. The

Commissioner provides funding to the Constabulary's Legal Services Department, who deliver support to the OPCC on legal matters.

During the year formal reviews has been undertaken of the role of the Commissioner's Chief Finance Officer and the Head of Internal Audit (HIA) and the Joint Audit and Standards Committee against the respective CIPFA statements, which concluded there was full compliance.

## Principle B: Ensuring openness and Comprehensive stakeholder engagement

### REVIEW OF REQUIREMENTS AND ARRANGEMENTS

#### Openness

Openness is a key element of the role of the Commissioner and is not just about publishing information, but listening and influencing as well. The Commissioner operates in accordance with the Elected Local Policing Bodies (Specified Information) Orders of 2011, 2012, 2013 and the guidance provided by the Information Commissioner. This is demonstrated, documented and communicated through an information

publication scheme that ensures the openness of all key information to the public. Examples of information that is published includes agendas and reports of public meetings, guidance on the Commissioner's funds, freedom of information requests, financial information and details of key decisions. A range of communications media are used including the Commissioner's website and social media.

The Commissioner is highly committed to be the voice of the people of Cumbria. This is demonstrated through a wide range of engagement opportunities for the public to make contact so their views are heard and responded to. The Commissioner has held public meetings where the public have expressed local feelings about a specific issue, as was experienced following this year's Appleby Horse Fair.

The Commissioner also publishes information for the public to see how he is representing their views and holding the force to account through his Public Accountability Conferences.

To promote openness and transparency, all Public Accountability Conferences have been advertised to allow members of the press and public to attend, and all minutes arising from these meetings are published

subsequently. An Annual Report, outlining the work of the Commissioner, is published annually.

### Engaging Comprehensively with Institutional Stakeholders

The Commissioner is actively engaged with a wide range of bodies to encourage a multi-agency approach to matters within his remit including:

- Chairing the Safer Cumbria Delivery Board, which is both the county-wide Community Safety Partnership and Criminal Justice Board for Cumbria.
- Membership of the Cumbria Leaders' Board.
- Chairing the Blue Light Collaboration Executive Leaders Board.

During 2018/19 the Commissioner has led a range of partnership working initiatives to deliver the Commissioning Strategy and ensure arrangements are in place for victims support services. This has included:

- Refinement of a Quality Assessment Framework to monitor compliance with the Victims Code in Cumbria and drive improvements in specific areas through this process.
- Working with Cumbria County Council and other statutory partners through Safer Cumbria,

commissioning a new model of victims service, combining emotional and practical support for those affected by all types of crime with specialist domestic and sexual abuse services, to improve ease of access to the right support service.

- Recommissioning a therapeutic service for people who have experienced sexual abuse and sexual assault, on behalf of partner agencies which contribute to The Bridgeway Sexual Assault Support Service budget.
- Continued to work in collaboration with Get Safe Online and through local Community Safety Partnership to deliver a range of community events and workshops to prevent local people and businesses becoming victims of online crime.
- Funded Community Safety Partnerships to continue to work with communities and partners on issues impacting on their specific areas of Cumbria, including alcohol-related violence and antisocial behaviour.

### Engaging Stakeholders Effectively including Citizens and Service Users

The Policing Protocol Order highlights the accountability of the Police and Crime Commissioner to local people. This responsibility is delivered through the OPCC to

ensure a wide range of engagement approaches so that the Commissioner actively listens, considers and effectively uses the views of the people of Cumbria to influence decisions.

The Commissioner is directly involved in all of the engagement activities and encourages the Commissioner's ethos of 'we, not they' to emphasise that communities, stakeholders and partners need to all work together to help deliver the Police and Crime Plan, to make Cumbria even safer.

During 2018/19 engagement included:

- Public surgeries/drop-ins at various locations - with a focus on going to where people.
- Numerous speaking engagements and attendance at public events.
- Meetings with a diverse range of community groups.
- Media engagements.
- Public consultation on setting the council tax percept and identify policing priorities.
- Cumbria Community Messaging.
- The Commissioner's website.
- Social media: Twitter, Facebook and YouTube.
- a bi-monthly newsletter.

- Campaign focusing on safer driving.

The Commissioner's Public Accountability Conference is open to the public and supports engagement.

The Commissioner launched public consultation on the proposal to increase the policing part of the council tax precept. More than 70% of the respondents (over 2,000) agreed with raising the council tax for example this would be for a Band D property an increase of just under £24 per year. The Commissioner also undertook a survey in summer 2019 to determine the priorities of the public in relation to police and crime matters and as a result launched the campaign for safer driving.

The OPCC logs all quality of service issues that are raised with the Commissioner, which are tracked and escalated with the Chief Constable where appropriate. This feedback is also used by the Constabulary to assess what lessons can be learned from examples of poor or unsatisfactory service, to make improvements. As a result of public feedback improvements have been made to the telephone 101 service in order to reduce call waiting times.

In summary, the engagement with all stakeholders allows the Commissioner to develop a vision for policing services,

which in turn is incorporated within the Police and Crime Plan.

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

## REVIEW OF REQUIREMENTS AND ARRANGEMENTS

### Defining Outcomes

The Police Reform and Social Responsibility Act (PR&SRA) requires the Commissioner to produce a Police and Crime Plan setting the vision and strategic direction for policing, crime reduction and community safety. A new Police and Crime Plan was launched in November 2016, following the appointment of a new Police and Crime Commissioner for Cumbria.

The Police and Crime Plan 2016-2020 contains the police and crime objectives which all contribute toward achieving the PCC's overall aim 'to make Cumbria an even safer place'. Each objective is supported by actions that the Constabulary and/or partners will undertake to contribute to successful outcomes. These objectives and actions are underpinned by performance measures used

to assess how well the objectives are being achieved, which are set out in the PCC's Performance Management Framework.

The priorities within the plan are:

- 1 Your Priorities For Cumbria
- 2 A Visible and Effective Police Presence
- 3 Tackle Crime and Anti-Social Behaviour
- 4 Ensure Offenders Face A Consequence For Their Crime
- 5 Always Put Victims First
- 6 Focus our Police on Online and Sexual Crime
- 7 Spend your Money Wisely
- 8 Supporting Young People

An action plan setting out how the objectives of the Police and Crime Plan has been developed within the OPCC. This is reviewed annually to ensure it reflects key activity and takes into consideration any emerging issues.

Key performance indicators were also set with the Chief Constable at the start of the financial year to support the objectives within the Police and Crime Plan. A comprehensive Accountability Framework, Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services HMICFRS Inspections and Value for Money Reports

further support the Commissioner in holding the Chief Constable to account for performance of the force.

The PCC regularly reviews progress against his police and crime objectives. Where grants have been awarded, the awards are made against agreed timescales and milestones for delivery and include success criteria or performance measures.

During 2018/2019 a detailed programme of work has been developed with the Police and Crime Panel to facilitate effective scrutiny of delivery of the plan's objectives. Progress reports are presented to the Panel on a quarterly basis supported by thematic reports, which are agreed at the start of the year.

The Chief Constable is held to account for delivery of policing objectives through the PCC's Public Accountability Conferences (PACs). These meetings are divided into two key areas of business: performance and finance. A reporting schedule for these meetings is agreed annually with the Constabulary and ensures the PCC monitors performance in a number of areas of policing. During 2018/19 thematic reports provided assurance on anti-social behaviour, criminal justice, domestic abuse, hate crime, uniformed policing visibility, serious crime, cyber-crime, investigation of sexual offences, offender management and the policing of

Appleby Fair. In addition, reports were also received covering equality and diversity, financial monitoring, and ethics.

The Police and Crime Act 2017 conferred a duty on Commissioners to collaborate on the delivery of emergency services. During 2018/19 the Commissioner negotiated a collaboration agreement and governance structure with Cumbria Constabulary, Cumbria County Council, Cumbria Fire & Rescue Service and the North West Ambulance Service to develop work streams around Blue Light collaboration. The PCC chairs the Blue Light Collaboration Executive Leaders Board, which oversees the work.

The Commissioning Strategy sets out the processes by which the Commissioner will identify and fund services to support his priorities. This was reviewed and updated in 2017/18.

#### Sustainable economic, social and environmental benefits

The Head of Partnerships and Commissioning ensures that the services commissioned are consistent with the PCC's objectives as set out in the Police and Crime Plan 2016-2020. For the financial year 2018/19, the PCC committed over £2.6m to projects and initiatives aimed at reducing offending and re-offending and supporting

victims of crime. A significant proportion of that funding has been committed to supporting the reduction in domestic abuse and sexual violence.

A review of the Joint Procurement Regulations between the Office of Police and Crime Commissioner and Constabulary Procurement Department. A Social Value policy incorporating a modern slavery statement has been drafted and, once approved, will support procurement and commissioning activity.

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

#### REVIEW OF REQUIREMENTS AND ARRANGEMENTS

##### Planning & Determining Interventions

During the course of 2018/19 the Commissioner's Public Accountability Conference received Constabulary assurance covering a range of areas of performance including Her Majesty's Inspectorate of Constabulary and

Fire & Rescue Services (HMICFRS) performance recommendations to support police effectiveness, efficiency and legitimacy (PEEL). This enabled the Commissioner to hold the Chief Constable to account. Crime levels, public satisfaction and police performance have also been regularly monitored

The OPCC's Head of Partnerships and Commissioning chairs the Cumbria 'Out of Court (OoCDs) Disposal Scrutiny Panel'. OoCDs allow the police to deal quickly and proportionately with low level, often first time, offending, which can be appropriately resolved without a prosecution at court. The Panel seeks to increase the public's understanding and confidence in how the Constabulary uses OoCDs. Inappropriate and inconsistent disposals associated with domestic abuse cases have been almost eliminated following Panel feedback. In some cases where concerns are raised by the Panel, guidance and advice is feedback to officers and decision makers which has then contributed to training and changes to policy.

During the last year, the Commissioner has continued to build on partnership working to address priorities in the Police and Crime Plan. Projects have included:

- Putting in place a new integrated domestic and sexual abuse crisis support service, bringing together two

previously separate services, working with Cumbria County Council and Cumbria Constabulary.

- Commissioning a victim service, which integrates support for people who have experienced all types of crime, working with Cumbria County Council, NHS and Local Authority partners.
- Leading the implementation of the Quality Assessment Framework developed in 2017-18 to review and improve how criminal justice and support agencies comply with national standards for working with victims.
- The Commissioner has negotiated a collaboration agreement and governance structure between Cumbria County Council, Cumbria Fire & Rescue Service, the Constabulary and the North West Ambulance Service to develop a number of streams of work around Blue Light Service Collaboration.
- Working with Cumbria's three Community Safety Partnerships and Get Safe Online to raise public knowledge of how to protect themselves against fraud and other crimes committed via the internet.
- Bringing together a range of agencies, working with the Constabulary and through Safer Cumbria, to develop understanding of the threat of serious and organised crime in the county and gain support to address this.

- Working with the Constabulary and Crimestoppers to develop a year-long Safer Driving Campaign, in response to what local residents have said is one of their main local concerns. The campaign highlights the many aspects of safer driving, focusing on a dedicated theme each month.

The policing grant settlement, received in December 2019, protected police grant funding, but only on a cash basis. The Government also provided Commissioner's with greater flexibility to increase council tax. Following a public consultation exercise, the Commissioner approved the 2018/19 budget in February 2018 based on a council tax increase of 10.29%. The £130m provided to the Constabulary has primarily allowed services to be maintained against a background of rising costs, but has also supported a modest increase in frontline officers who will be directed into priority areas consistent with the Police and Crime Plan's principal objective of keeping Cumbria safe.

In the context of a new Government Comprehensive Spending Review, which is due to report in the autumn of 2019 and the potential economic impact of Brexit, the future financial outlook is uncertain, although it is likely that funding constraints will remain. The OPCC and Constabulary are jointly modelling a range of financial



scenarios and are working to better understand and manage demands for service and realise benefits from investment in new technology, with the aim of delivering a sustainable policing service in the County.

### Optimising Achievement of Intended Outcomes

All planning is undertaken in the context of a four year medium term financial strategy, incorporating financial modelling, operational plans and capital strategies.

Recommendations contained in a victim's needs assessment, conducted by the Victims Advocate in 2016/17, have provided a clear focus of activity for the PCC and partners' work and future commissioning strategy to keep victims safe and at the heart of the Criminal Justice system. During 2018/19 the Commissioner has:

- Provided restorative services, enabling victims to inform offenders of the impact a crime has had on them.
- Funded 'Chelsea's Choice', a production for children raising awareness of Child Sexual Exploitation.
- Together with Cumbria County Council, funded an Integrated Independent Domestic Abuse & Sexual Abuse Crisis Support Service.

- Working with Cumbria County Council, the Constabulary, NHS England, Local District Councils and other agencies, developed the support available for people who have been affected by crime and abuse by bringing together a number of services, previously commissioned separately, to commission a service which will provide a 'gateway' through which people can access emotional, practical and advocacy support services.
- Continued to develop and fund Cumbria Youth Commission, ensuring young people across the county have a voice on the issues and problems impacting on them.
- Funded support for people with dementia to help reduce calls to the police.
- Commissioned Victim Support to provide emotional, practical, advocacy and signposting services.
- Continued to develop and fund the Bridgeway Sexual Assault Support Services.
- Funded county-wide Perpetrator Programmes "Turning the Spotlight" for domestic abuse and "Step Up" for families experiencing child-on-parent or guardian violence.
- Funded 'I Feel the Hate' Hate Crime production for secondary school pupils.

- Reviewed and developed further the **Cumbria Together website**.
- Through his Innovation, Community and Property Funds continued to provide financial support for numerous projects working with victims across Cumbria.
- Supported his Victims' Advocate who continues to champion the cause for victims, and importantly, help drive up standards. The Victims' Advocate has worked with Cumbria County Council to dip-sample high and medium risk domestic abuse cases referred into Victim Support to evaluate the quality of service provided. Also, the Victims' Advocate coordinated and chaired quarterly meetings with victims of antisocial behaviour and crime receiving, first hand feedback on their personal experience and acting as a sound board for potential service developments.
- Worked closely with the Constabulary to inform the development of their new Victims' Booklet providing information on the criminal justice process and support available for all victims of crime.

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

REVIEW OF REQUIREMENTS AND ARRANGEMENTS

Developing the entity's capacity

The key functions and roles of the Commissioner and the Chief Constable are set out in the Police Reform and Social Responsibility Act 2011 (PRORA). The PRORA also sets out the function and roles of statutory officers, namely the Monitoring Officer (Chief Executive) and the Chief Finance Officer (CFO). The monitoring officer has specific legal, financial and governance duties in addition to a statutory responsibility for the lawfulness of decision making. The functions and roles set out in legislation and guidance are codified in the Commissioner's scheme of delegation.

During 2018/19 the final stages of the re-structure of the OPCC took place. Overall, the re-structure has provided greater capacity and flexibility to respond to changes in demand particularly in relation to public engagement

activities. The changes have also delivered financial savings. The OPCC is a small team and works together to address any issues arising from natural movement of staff into and out of the office.

Following the re-structure of the OPCC, the Commissioner and Chief Constable have agreed to a shared Chief Finance Officer arrangement. A protocol and range of safeguards have been put in place to handle potential conflicts of interest arising from the joint role. A review of the operation of the Joint Chief Finance Officer arrangement has been conducted aligned to the CIPFA statement on the Role of the Chief Finance Officer. This exercise has shown full compliance and has not revealed any significant issues.

The temporary arrangement of the Head of Partnerships and Commissioning and Head of Communications and Business Services performing the roles of Chief Executive and Deputy Chief Executive on a six month rotating basis became permanent following approval by the Police and Crime Panel in October 2018.

Developing the entity's leadership

The Chief Executive receives support through the Association of Police and Crime Commissioner Chief Executives (APACCE), while the Chief Finance Officer

continues to receive support from the Police and Crime Commissioner's Treasurer's Society (PaCCTS) and the associated technical information service.

During 2018/19 development activity for members of the Audit and Standards Committee included development sessions on the Police and Crime Plan, ICT Security, treasury management and the budget and medium term financial forecast. A formal review of effectiveness of the Committee against the new CIPFA guidance for Audit Committees evidenced compliance with CIPFA guidance and elements constituting best practice. The full report of the Committee can be found on the Commissioner's website at:

<http://www.cumbria-pcc.gov.uk/governance-transparency/audit-committee.aspx>.

The four Independent Custody Visiting Panels continue to operate. Developments during the year included:

- Weekly visits to each of the four custody suites
- Recruitment campaigns to attract new candidates Carlisle, Kendal and West Cumbria.
- Induction training courses.

- Delivery of on-going ICVA thematic training packages for existing members. In 2018-19 the theme was Equality and Diversity.
- Membership of the Independent Custody Visitors Association (ICVA).
- Attendance at national, regional and local conferences
- Under the Animal Welfare Scheme, monthly visits to Cumbria Constabulary and the Civil Nuclear Constabulary to ensure the welfare of police dogs

#### Developing the capability of individuals within the entity

During 2018/19 arrangements to support staff in tasking and performance have been reviewed and some aspects of activity have been piloted for example:

- Weekly tasking meetings attended by all staff.
- Monthly team meetings focused on policy and procedures.
- Arrangements for performance reviews have also been reviewed and will be embedded in 2019/20.

A monthly informal team catch-up also takes place where staff can share information about their role or themselves in a less formal environment.

During 2018/19 specific training has been provided for staff in the areas of stress management, team building workshop, OneNote, Code of Ethics, risk management and the budget. Individual staff have attended conferences, workshops and specific training events to help them develop within their roles.

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

#### REVIEW OF REQUIREMENTS AND ARRANGEMENTS

##### Managing risk

The Commissioner's Risk Management Strategy is reviewed on a 3-year cyclical basis and is next due for review in 2020. A high level review is undertaken annually to ensure that the strategy reflects the current risk environment. Any changes are presented to the Joint Audit Committee.

Risk has become embedded within the everyday work of the OPCC, staff continually assess risks within their roles. Both strategic and operational risks are reviewed on a quarterly basis and appropriate updates made. The Commissioner also provides scrutiny of the Constabulary's management of strategic risks.

The strategic risk register is updated on a quarterly basis and currently incorporates risks in relation to future funding, financial and operational risks regarding the implementation of the Emergency Services Network, capacity within the Procurement function and compliance with General Data Protection Regulations.

The Commissioner's arrangements for Risk Management include procedures for Business Continuity, which are reviewed and tested throughout the year.

##### Managing Performance

The Public Accountability Conferences facilitate arrangements for the scrutiny of quarterly performance updates and thematic reports around priority areas of policing including, domestic abuse, child sexual exploitation, sexual offences, anti-social behaviour and reducing reoffending. The Commissioner also receives updates on how the Constabulary is supporting victims of crime and antisocial behaviour and monitors the

implementation of actions and recommendations arising from inspections, including those undertaken by HMICFRS. This is supported by regular one to one meetings between the Chief Constable and Commissioner. Senior officers within the OPCC also attend strategic Constabulary meetings to provide challenge and oversight of the arrangements that support decision making, delivery of key areas of business and the allocation of resources.

The Police and Crime Panel have met five times during 2018/19. All meetings are held in public, providing an open and transparent process for scrutinising the decisions and work of the Commissioner. During 2018/19 the Panel has placed a significant focus on monitoring delivery of the Police and Crime Plan, receiving progress reports at every meeting supported by thematic reports against priority areas. The Panel has also reviewed the arrangements of the Joint Chief Finance Officer, the work progressing as part of Blue Light Collaboration and supported the Commissioner's proposed precept for 2019/20.

### Robust Internal Control

During 2018/19 a number of areas of the corporate governance framework have been subject to cyclical review and update. This process is supported by the

professional advice of the Joint Audit and Standards Committee. During 2018/19 the Committee has considered and provided scrutiny of the Joint Financial Regulations and Rules, the Joint Procurement Regulations, the Commissioner's, the Code of Corporate Governance, the Internal Audit Charter, Treasury Management Strategy, Statement of Accounts and Annual Governance Statement.

Internal controls have also been reviewed through the annual process of management assurances and the annual internal audit plan. Of seventeen audits completed to date in 2018/19 covering the activities of the OPCC and Constabulary, 82% provided either substantial or reasonable assurance. All audits relating specifically to the OPCC provided substantial assurance.

### Managing Data

The OPCC operates within the parameters of legislation governing the protection of data, ensuring that all data is appropriately stored and shared where necessary. Information is provided to members of the public under the Freedom of Information Act, with requests and responses published on the Commissioner's website. The Ethics and Integrity Panel provide additional assurance in this respect. Physical data within the OPCC is held securely with appropriate office and cabinet security provided. An

action plan has been developed with the aim of ensuring that the OPCC meets the requirements of the General Data Protection Regulations (GDPR) introduced in May 2018.

Internal audit carried out a review of the OPCC's compliance with GDPR, which provided Substantial Assurance.

### Strong Public Financial Management

At the Public Accountability Conference on the 14<sup>th</sup> February 2018, the Commissioner set the 2018/19 annual budget and precept in the context of a medium term financial strategy 2018-2022. In line with his duty to maintain the police force the Commissioner agreed a net revenue budget of £117m and a capital budget of £7m for the Chief Constable for the 2018/19 financial year and a funding arrangement that codifies the terms for that funding, including arrangements for financial management. The budget for 2018/19 also included £0.7m for the operation of the Office of the Police and Crime Commissioner and £2.2m funding within a commissioned services budget for victims, community safety and crime reduction.

During 2018/19 the Commissioner received regular financial reports including revenue and capital budget

monitoring and treasury management. A summary format of financial reports incorporating tables and graphs, wherever appropriate, is used to improve accessibility. Financial reports are published on the Commissioner's website.

The outcome of all audits of financial arrangements during 2018/19 was an opinion that provided either reasonable or substantial assurance.

During 2018/19 financial sustainability in the context of increasing costs and service pressures, flat government funding and the potential impact of a future review of the police funding formula, has remained on the Commissioner's strategic risk register. A number of mitigation measures have been put in place including the detailed medium term financial forecast and development of savings plans in conjunction with the Constabulary.

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

## REVIEW OF REQUIREMENTS AND ARRANGEMENTS

### Implementing good practice in transparency

The Commissioner has published an annual report covering 2017/18. The report, entitled "Making Cumbria an Even Safer Place", includes information on how the Commissioner has responded to issues raised during community engagement activity and how engagement has informed future priorities.

Throughout the year the Commissioner has published regular financial monitoring information in a short and succinct format that aims to increase the transparency and accessibility of financial information. Further to this, the reported financial statements published in May 2018 include the statutory Chief Finance Officers' Narrative Report. The Narrative report incorporates a more accessible summary of the statements and financial and performance information alongside a business review.

### Implementing good practices in reporting

The Commissioner's activities, performance and achievements have been published in an annual report, which can be found on the Commissioner's website at [www.cumbria-pcc.gov.uk](http://www.cumbria-pcc.gov.uk). It highlights the commissioner's key achievements during his third year in

office, including:

- Continuing to fund numerous community projects and support services to tackle the key priorities in the Police and Crime Plan, including on line safety, protecting vulnerable members of the community, supporting victims of domestic abuse and sexual violence, and empowering victims by providing the chance for them to meet or communicate with their offender to explain the real impact of the crime.
- Setting the policing budget for 2019/20, maintaining the additional 25 police officers from the previous year and increasing by a further 20 police officers to support operational policing that is often not seen by the public but crucial in keeping the county safe.
- Improved youth engagement through the work of the Cumbria Youth Commission, Mini Police and Cadets.
- Prioritised and supported work to address the top public concerns raised with him namely, police visibility, anti-social behaviour, driving and Appleby Fair.

A revised and updated Code of Corporate Governance was adopted in line with the 2016 CIPFA Good Governance Framework for Local Government.

A review of the arrangements for internal audit have confirmed that the service meets the requirements of the Public Sector Internal Audit Standards (PSIAS) during 2018/19.

The Commissioner's unaudited financial statements for 2017/18 were released in May, with the final version published in July, thus meeting new deadlines for financial reporting. The External Auditor's Audit Findings report noted that the accounts were supported by excellent working papers.

#### Assurance and effective accountability

The external auditor's opinion for the 2017/18 financial year was that the Commissioner's Financial Statements provided a true and fair view of the financial position and that they have been properly prepared in accordance with the Code of Practice on Local Authority Accounting. The

auditors further confirmed in their Annual Audit Letter that that the Commissioner had proper arrangements in place for securing economy, efficiency and effectiveness in the use of resources.

Implementation of recommendations arising from the internal audit plan, external audit reports and HMICFRS are monitored by the Joint Audit Committee.

The Ethics and Integrity Panel monitors and reports on some specific areas of activity, such as complaint handling and ethical issues.

#### FURTHER INFORMATION

Further information on the arrangements for Governance can be found on the Commissioner's website under the tab headed Governance and Transparency.

We welcome your views on the Commissioner's Annual Governance Statement. You can do this by using the contact information below:

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\*Peter McCall  
Police and Crime Commissioner for Cumbria

*Gill Shearer Chief Executive	*Roger Marshall Chief Finance Officer
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09 May 2019

\*Signatures are removed for the purposes of Publication on the website

Appendix A – Update on 2018/19 Development and Improvement Plan

Ref	Action	Lead Officer	Action Update at 31 March 2019	Implementation by	Revised Implementation Date	Status
<b>Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.</b>						
CPA/1	Implement systems and processes to facilitate the OPCC's new responsibility for administering local appeals	Governance Manager	Home Office have advised that they are unable to lay the five statutory instruments before Parliament by February 2019, thereby the implementation will be delayed beyond 1 April 2019. Once layed there will be a 6 months period for arrangements to be made prior to implementation	31st March 2019	31st March 2020 (To be confirmed by Home Office)	Ongoing (original timescale extended)
<b>Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.</b>						
CPB/1	To refresh the Engagement Strategy to reflect the increase in capacity as a result of the new Engagement Officer post.	Head of Communications and Business Services	Capacity was increased in the team during 2019/19 however, capacity was subsequently reduced following a member of staff resigning. The engagement activities are still relevant within the existing plan. The strategy will be brought up to date as a priority.	31st March 2019	30th September 2019	Ongoing (original timescale extended)
<b>Core Principle C: Focusing on defining outcomes in terms of sustainable, economic, social and environmental benefits</b>						
CPC/1	Implement an over-arching governance framework for the OPCC.	Head of Communications and Business Services	A new governance framework has been produced in draft and is being consulted on within the OPCC.	31st March 2019	30th June 2019	Ongoing (original timescale extended)
CPC/2	In collaboration with stakeholders produce a vision for developing Emergency Services collaboration in the County for the remainder of the Police and Crime Plan period, supported by a detailed action plan.	Blue-light Collaboration Manager	Blue Light Collaboration agreement signed by PCC, CFRS, Cumbria Constabulary, CCC, and NWAS. This sets out a clear vision and plan, for the ambitious programme of work. Governance Structure in place with Exec Leaders Board, Programme Board, and Working Group, which drives the programme, providing scrutiny and oversight. There is a detailed TOR for each project within the wider programme. Updates provided monthly to the working group and programme board, and quarterly to the Exec Leaders Board.	30th September 2018		Completed
<b>Core Principle D: Focusing on determining the interventions necessary to optimise the achievement of intended outcomes.</b>						
CPD/1	Embed a new integrated Independent Domestic Violence and Sexual Violence Advisory Service.	Head of Partnerships and Commissioning	Procurement has taken place and a contract has been awarded. The Integrated Service is operating across the county. Dip sampling of cases has been conducted and learning shared with the Provider.	31st March 2019		Completed
CPD/2	Collaborate with partner bodies to develop a consistent approach to the delivery of Womens' Centres across the County.	Head of Partnerships and Commissioning	Grant agreements that support a consistent service delivery are in place with the Women's Centre's in the North and South of the County. A business case, supported by the PCC, has been developed by a third sector organisation to open a women's centre in West Cumbria. The OPCC is working collaboratively with Copeland BC and Time to Change to develop the WoW (Women out West) Centre.	31st March 2019	30th September 2019	Ongoing (original timescale extended)
CPD/3	Implement a joint Social Value Policy with the Constabulary	Head of Partnerships and Commissioning	The OPCC has worked with the Constabulary's Head of Procurement to produce a Social Value Policy, which will complement the Joint Procurement Regulations. A draft has been developed which is currently being consulted on. Social value has been incorporated into the evaluation of recent tenders.	30th September 2018	30th September 2019	Ongoing (original timescale extended)

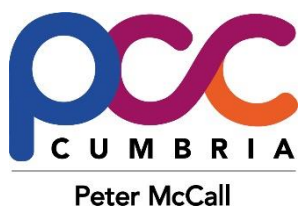
Appendix A – Update on 2018/19 Development and Improvement Plan

Ref	Action	Lead Officer	Action Update at 31 March 2019	Implementation by	Revised Implementation Date	Status
<b>Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and the individuals within it.</b>						
CPE/1	Complete the staffing re-structure of the Office of the Police and Crime Commissioner.	Head of Communications and Business Services	The staffing re-structure has been completed. The new structure came into place from 1 July with new staff recruited for September. The Police and Crime Panel approved the permanent CEO arrangements in October.	30th September 2018		Completed
CPE/2	Evaluate options and implement a formal PDR process for all OPCC staff.	Head of Communications and Business Services	A structure is in place for annual PDRs, supported by Strength Based Competency meetings on a 12 week basis within work 1-2-1s on a monthly basis. Line managers have attended a training session and all staff have been briefed.	31st December 2018		Completed
CPE/3	Develop a rolling training and development programme for all OPCC staff incorporating for example ethics and integrity, risk, well-being and health and safety.	Head of Communications and Business Services	The first Tuesday of every month has been allocated as a two hour training session for all staff. This is supported by a time table of training requirements.	31st March 2019		Completed
CPE/4	Develop a vision for the delivery of Procurement within the Constabulary and OPCC to meet organisational needs.	Director of Corporate Support	A three year Commercial Strategy has been agreed detailing the future vision and approach for the service. The Strategy is based on three phases - Mandatory, Transformation and Ambition and ultimately aims to reach a point where Procurement can be accredited to professional standards. It is anticipated that the mandatory phase, which will ensure compliance with Procurement Regulations, will be completed by mid 2019/20.	30th September 2018	30th September 2019	Ongoing (original timescale extended)
<b>Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.</b>						
CPF/1	Work with the Constabulary to develop a revised public accountability framework.	Head of Partnerships and Commissioning	A development of a revised framework has been overseen by the OPCC Chief Executive and the Deputy Chief Constable and approved by Collaborative Board.	31st March 2019		Completed
CPF/2	Implement an action plan to ensure that the OPCC complies with new General Data Protection Regulations	Governance Manager	The OPCC is interdependent upon the constabulary for some policies, strategies and data sharing agreements. An action plan has been completed for the OPCC. Monthly monitoring meetings take place the findings from which are reported to the OPCC Exec Team	31st December 2018	31st March 2019	Completed



Ref	Action	Lead Officer	Implementation by
<b>Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.</b>			
CPA/1	Implement systems and processes to facilitate the OPCC's new responsibility for administering local appeals	Governance Manager	31st March 2020 (To be confirmed by Home Office)
<b>Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.</b>			
CPB/1	Review and evaluate Communications and Engagement arrangements.	Head of Communications and Business Services	31st December 2019
CPB/2	Arising from the review of communications and engagement, develop an Engagement Strategy 2020-2024	Head of Communications and Business Services	30th June 2020
<b>Core Principle C: Focusing on defining outcomes in terms of sustainable, economic, social and environmental benefits</b>			
CPC/1	Implement and embed an over-arching governance framework for the OPCC.	Head of Communications and Business Services	30th June 2019
CPC/2	Undertake a review of how the OPCC works in Partnership (formal / informal) to allow resources to be used more efficiently and outcomes achieved more effectively.	Head of Partnerships and Commissioning	31st March 2020
<b>Core Principle D: Focusing on determining the interventions necessary to optimise the achievement of intended outcomes.</b>			
CPD/1	Working with Cumbria County Council, the Constabulary, NHS England, Local District Councils, and other agencies, embed a new integrated Victims Service.	Head of Partnerships and Commissioning	31st March 2020
CPD/2	Continue to collaborate with partner bodies to develop a consistent and join-up approach to the delivery of Womens' Centres across the County.	Head of Partnerships and Commissioning	31st March 2020
CPD/3	Implement a joint Social Value Policy with the Constabulary including a Modern Slavery Statement	Head of Partnerships and Commissioning	30th September 2019

Ref	Action	Lead Officer	Implementation by
<b>Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and the individuals within it.</b>			
CPE/1	Implement a programme of training and development programme within the OPCC. safety.	Head of Communications and Business Services	30th September 2019
CPE/2	Review contract management arrangements and implement recommendations.	Head of Partnerships and Commissioning	31st March 2020
CPE/3	Develop a vision for the delivery of Procurement within the Constabulary and OPCC to meet organisational needs.	Director of Corporate Support	30th September 2019
<b>Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.</b>			
CPF/1	Scope the approach and put in place arrangements to support the development of the Police & Crime Plan 2020/2024.	Head of Partnerships and Commissioning	31st January 2020



Cumbria Office of the Police and Crime Commissioner

Code of Corporate Governance 2019/20

## Foreword

Welcome and thank you for taking the time to read the Police and Crime Commissioner for Cumbria's Code of Corporate Governance. I am pleased to introduce this Code, which sets out the Commissioner's commitment to continue to uphold the highest possible standards of good governance. This document clearly demonstrates his drive to ensure that this is in place. Good governance is about how the Commissioner will ensure that he is doing the right things, in the right way, for the communities he serves, in a timely, inclusive, open, honest and accountable way.

The Code provides clarity about how the Commissioner and Chief Constable will govern their organisations both jointly and separately, in accordance with their statutory responsibilities. It will do this by highlighting the key enablers for ensuring good governance. The Code sets out how the organisations will govern, using the seven good governance principles as the structure for setting out the statutory framework and local arrangements.

Robust governance enables the Commissioner to pursue his vision effectively as well as underpinning that vision with mechanisms for control and management of risk.

**Gill Shearer**  
**Chief Executive and Monitoring Officer**  
**Office of the Police and Crime Commissioner**

## Introduction

The Police Reform and Social Responsibility Act 2011 (PR&SRA) established Police and Crime Commissioners as elected officials with statutory functions and responsibilities for Policing and Crime within their area. Those responsibilities include: setting the strategic direction and objectives for policing and crime and disorder reduction in their area; maintaining the police force; and holding the Chief Constable to account. Police and Crime Commissioners also have wider responsibility for community safety, enhancing criminal justice and supporting victims.

The statutory and regulatory framework setting out the responsibilities, powers and duties of Police and Crime Commissioners is continually developing. The PR&SRA is supported by the Policing Protocol Order 2011, the Home Office Strategic Policing Requirement 2015 and the Home Office Financial Management Code of Practice 2018. The Anti-Social Behaviour, Crime and Policing Act 2014 has developed and conferred further powers in respect of the wider responsibilities of Police and Crime Commissioners. These powers have been extended through the Policing and Crime Act 2017.

The Police and Crime Commissioner for Cumbria (the Commissioner) is responsible for ensuring that business is conducted in accordance with this statutory and regulatory framework and in accordance with proper standards. This includes ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In fulfilling this overall responsibility, the Commissioner is responsible for putting in place proper arrangements for governance, including risk management and the arrangements for ensuring the delivery of the functions and duties of his office.

In doing this, the Commissioner approves and adopts annually this Code of Corporate Governance, 'The Code'. The Code gives clarity to the way the Commissioner governs and sets out the frameworks that are in place to support the overall arrangements for the Cumbria Office of the Police and Crime Commissioner (COPCC). The Code is based on the core principles of governance set out within the CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016. The Code is appended with a schematic that sets out diagrammatically all the key elements of the governance framework.

On an annual basis the Commissioner will produce an Annual Governance Statement (AGS). The AGS reviews the effectiveness of the arrangements for governance and sets out how this Code of Corporate Governance has been complied with.

## The Code of Corporate Governance

This code of corporate governance sets out how the Police and Crime Commissioner will govern. It is based on the seven good governance core principles highlighted by the CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016, and supported by the Nolan Principles of Public Life. This Code uses those principles of governance as the structure for setting out the statutory framework and local arrangements that are in place to achieve them.

The seven good governance principles are:

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

### NOLAN PRINCIPLES OF PUBLIC LIFE

*SELFLESSNESS: Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.*

*INTEGRITY: Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.*

*OBJECTIVITY: In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.*

*ACCOUNTABILITY: Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.*

*OPENNESS: Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands it.*

*HONESTY: Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.*

*LEADERSHIP: Holders of public office should promote and support these principles by leadership and example.*

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

Police and Crime Commissioners are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

### **Business Code of Conduct:** Staff shall:

*Maintain the highest possible standards of probity in all commercial relationships;*

*Reject business practice which might reasonably be deemed improper and never use authority for personal gain;*

*Enhance the proficiency and stature of the organisation by acquiring and maintaining technical knowledge and the highest standards of behaviour;*

*Ensure the highest possible standards of professional competence, including technical and commercial knowledge;*

*Optimise the use of resources to provide the maximum benefit to the organisation.*

**INTEGRITY:** *Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.*

## Ethics and Integrity

The arrangements for governance within the Office of the Police and Crime Commissioner are based on a culture of ethics, integrity and acting in the public interest. This is demonstrated and communicated through a number of policies and codes that set out the standards of conduct and personal behaviour expected in the Commissioner's office. Specifically:

- A Code of Conduct commits to the Nolan Principles of Public Life. The Code sets out

commitments with regard to how people will be treated, the use of resources, disclosure and conflicts of interest, disclosure of information and transparency.

- A Code of Ethics developed by the Association of Police and Crime Commissioners (APCC) has also been adopted by the Commissioner. It sets out how the Commissioner has agreed to abide by the seven standards of conduct recognised as the Nolan Principles. This Ethical Framework allows

transparency in all areas of work of the Police and Crime Commissioner. These principles encompass the Commissioner's work locally and whilst representing Cumbria in national forums. The principles are listed in the Code of Ethics with examples of how these are achieved.

- The Commissioner's arrangements for anti-fraud and corruption make clear the duty everyone has with regard to their own conduct and those of others. The arrangements incorporate an anti-fraud and corruption policy and plan covering the culture expected within the organisation and provide contact information for confidential reporting (whistleblowing).

- Anti-fraud and corruption procedures cover arrangements for integrity in respect of gifts and hospitality, completion of a register of interests, supplier contact and declarations of related party transactions. These ensure staff avoid being engaged in any activity where an actual or perceived conflict may exist and that there is transparency in respect of any personal or business relationships. Staff are reminded on a monthly basis of the need to make declarations.

- The Office of Cumbria Police & Crime Commissioner is responsible for investigating complaints about the Chief Constable, any appointed Deputy Commissioner, the Office of Cumbria Police & Crime Commissioner's own staff and Independent Custody Visitors. A formal process exists for dealing with complaints. The arrangements are clearly set out, including the role of the Police and Crime Panel, on the 'contact us' section within the Commissioner's website. The protocol for managing complaints is set out in the Commissioner's Complaints Policy and reinforces

the commitment to upholding the highest ethical standards.

- Complaints against the Police & Crime Commissioner are referred by the Commissioner's Monitoring Officer to Cumbria County Council's Monitoring Officer who investigates the complaints and then seeks to either resolve them locally with the complainant, refers them to the Police and Crime Panel or the Independent Police Complaints Commission.

- A Business Code of Conduct supports the Procurement Regulations, re-enforcing the integrity requirements within the anti-fraud and corruption policy in the context of procurement activity.

- Financial Regulations make arrangements for the proper administration of financial affairs. They also seek to reinforce the standards of conduct in public life, particularly the need for openness, accountability and integrity.

- Grant regulations are based on a framework that provides minimum standards and terms and conditions for the grant award process that seek to ensure grants are awarded within the public interest.

- The Commissioner and all staff are required to sign up to an anti-discrimination code that sets out values and standards with regard to the prevention of any kind of discrimination.

All policies and codes are reviewed on a cyclical basis to ensure they are operating effectively. Independent external assurance is provided through the work of an Ethics and Integrity Panel and Joint Audit Committee. The purpose of the Ethics and Integrity Panel is to promote and influence professional ethics in all aspects of



policing and within both organisations. It provides scrutiny and review in respect of the arrangements for codes of conduct, integrity and complaints. It also provides assurance to the public that any issues or concerns are highlighted and monitored.

The Joint Audit Committee provides scrutiny and review in respect of the Commissioner's arrangements for anti-fraud and corruption and financial, procurement and grant regulations. Agendas and papers are available to the public on the Commissioner's website to aid transparency.

The leadership values for the organisation have been developed by our staff to support good governance and advocate high standards of integrity and ethical behaviour. They are set out in our Corporate Plan. All staff within the OPCC have been appointed following open and transparent appointment processes. Following appointment staff commit to the various codes of conduct and ethical standards that are in place for the OPCC. All staff also undertake a structured induction process arranged by the Governance Manager.

## Respecting the Rule of Law

The Chief Executive is the Commissioner's Monitoring Officer with responsibility for ensuring that the Commissioner and staff of the Office of the Police and Crime Commissioner do not contravene any rule of law or engage in any activity that constitutes maladministration or injustice. The responsibilities of the Chief Executive are codified within legislation, within the Commissioner's scheme of delegation and within the documents comprising the Commissioner's wider governance framework. The Chief Executive is responsible to the Commissioner for ensuring that agreed procedures are followed and that all applicable

### **Our Values**

*We are a single team with a culture of trust and confidence*

*We develop the capacity and capability of our office to be effective and recognise high performance*

*We have empowered staff who are high performing, professional and have high levels of satisfaction in their roles*

*We embrace and deliver change, achieve national recognition for what we do and are exemplars of best practice*

*We hold ourselves to account for what we deliver, measuring our outcomes, customer satisfaction and value for money, striving for continuous improvement*

*We promote our values and demonstrate the values of good governance through upholding high standards of conduct and behaviour*

statutes and regulations are complied with. The Chief Executive is supported by an internal legal team and will instruct external legal advisers where there are significant legal complexities or legal risk. The office structure provides for a post of a deputy Monitoring Officer to ensure continuity in the delivery of this role in the absence of the Chief Executive.

## Principle B: Ensuring openness and comprehensive stakeholder engagement

Police and Crime Commissioners and their Offices are run for the public good, they therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

### Openness

The Commissioner operates in accordance with the Elected Local Policing Bodies (Specified Information) Orders 2011, 2012 & 2013 and the guidance provided by the Information Commissioner. This is demonstrated, documented and communicated through an information publication scheme that ensures the openness of all key information to the public and wider stakeholders. This includes information in respect of the Commissioner, his staff, income and expenditure, property, decisions, policies and the independent custody visiting scheme. The Commissioner's Monitoring Officer has overall responsibility for ensuring compliance with the Orders and Scheme.

To ensure transparency of decision making, all decisions are recorded and published on the Commissioner's website for public scrutiny. The Police and Crime Panel may call in any decisions for further public scrutiny.

The Commissioner adopts rigorous standards in his decision-making and all decisions are taken solely in the public interest. This is achieved by adherence to a decision-making policy that sets out the parameters and the application of a set of principles that guide decision making. The approach within the policy adheres to the Good Governance Standard for Public Services and the Good Administrative Practice 2.

Reports for decision are based on a template that ensures the consequences of any recommendations are clearly explained and that there is clear

#### ***Decision Making Policy: Principles of Decision Making***

*Decision-making will be well informed*

*The decision-making process will be open and transparent*

*To have 'due regard' within the decision making process*

*Be rigorous and transparent about how the decisions are taken*

*All decisions of significant public interest will be recorded and published.*

*The PCC will uphold the highest standards of integrity and honesty when taking decisions, as set out in the Nolan Principles.*

reasoning and evidence for decisions. This includes relevant financial, legal, human resources, equality, procurement, IT and risk management advice.

### Engaging Comprehensively with Institutional Stakeholders

The Police and Crime Plan recognises the importance of stakeholder engagement and collaborative working in developing and delivering priorities for the future direction of policing, crime

reduction, and supporting victims. The process for development of the Plan includes consultation with the Police and Crime Panel, wider partners and the Constabulary. Consultation processes support the development of objectives and outcomes prior to the formal approval and publication of the Plan on the Commissioner's website.

The Plan recognises that in preventing crime and supporting victims a commitment to collaborative working is needed from a range of organisations involved in policing, community safety and criminal justice. The Plan commits to utilising the existing partnership structures across the County to do this wherever possible. This enables the Commissioner and partners to build commitment to shared priorities and to exercise oversight of the delivery of shared outcomes.

As part of these arrangements the Commissioner has signed up to the Cumbria Compact, an agreement and set of principles that govern effective relationships between public and third sector organisations.

Grant agreements govern the funding arrangements with partners and the third sector and set out the purpose, objectives and shared outcomes which that funding is planned to deliver.

Joint boards, collaborative procurement and third sector partnerships are central to the Commissioning Strategy that seeks to efficiently and effectively deliver the Police and Crime Plan. The underlying Commissioning Plan uses commissioning approaches and a grant framework that enable partners to determine interventions that will be appropriate and effective in delivering outcomes.

## Engaging Stakeholders Effectively including Citizens and Service Users

A Public Engagement Strategy sets out how the Commissioner will make arrangements for obtaining the views of the community on policing and for obtaining the views of victims of crime. The strategy aims to ensure clear channels of communication are in place with all sections of the community and other stakeholders. As part of the Public Engagement Strategy, the Commissioner undertakes formal consultation with the public, partners and other stakeholders in respect of the Police and Crime Plan and the budget.

The OPCC is instrumental in giving the people of Cumbria the ability to communicate with the Commissioner and plays a key role in ensuring public opinion can influence the Commissioner's decision making. The Office ensures a wide range of engagement approaches so that the Commissioner actively listens, considers and effectively uses the views of the people of Cumbria. The office plays a critical role in ensuring that two-way communication with communities take place and that the Commissioner is publically available to speak to communities and individuals.

The OPCC has responsibility for keeping people informed, ensuring that activities and decisions are transparent and that effective, transparent and accessible arrangements are in place for providing feedback. A wide range of communication tools are used to achieve open and transparent communication with communities. This includes the statutory requirement of producing and publishing an Annual Report setting out what has been achieved in a 12-month period.

The OPCC also supports the Commissioner around

public affairs, if necessary, highlighting the impacts on policing and people in Cumbria.

A complaints process and quality of service procedure provides clarity over the arrangements to respond to the breadth of concerns raised by local people. If trends are identified these are used to improve customer service from the Constabulary and influence the decisions of the Police and Crime Commissioner.

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

The long-term nature and impact of many of the Police and Crime Commissioners' responsibilities mean that they should define and plan outcomes and that these should be sustainable. Decisions should contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available

*The Commissioner's Police and Crime Plan can be found on our website at [www.cumbria-pcc.gov.uk](http://www.cumbria-pcc.gov.uk)*

### Defining Outcomes

The Police Reform and Social Responsibility Act (PRSR) 2011 and the Policing Protocol Order set out the purpose of the Police and Crime Commissioner, conferring statutory duties and responsibilities. These include the requirement to issue a Police and Crime Plan. The Plan sets out the vision and strategic direction for policing and reducing crime for the local area. It outlines police and crime objectives, priorities and outcomes for policing and victims that the Commissioner will focus on in carrying out his purpose.

Key performance indicators are set to support the objectives within the Police and Crime Plan. This is supported by a comprehensive performance management framework, which is embedded within a robust accountability and governance structure. The performance framework and HMICFRS inspection and value for money reports support the Commissioner in holding the Chief Constable to account for the performance of the force and its efficiency and effectiveness. User

Satisfaction Performance measures are included in the Performance Management Framework.

The Police and Crime Plan is developed alongside a Medium Term Financial Strategy that ensures funding is aligned to the resources needed to deliver priorities and outcomes. The forecast supports the Commissioner in setting a robust budget and in his purpose of maintaining the force for the Cumbria police area.

A Commissioning Strategy and framework supports the delivery of the Commissioner's wider duties and responsibilities and the objectives and outcomes within the Police and Crime Plan. The strategy sets out how the Commissioner will work with partners, including community and voluntary sector groups, to deliver activity and interventions that will support victims, improve community safety, reduce crime and enhance criminal justice. The strategy is underpinned by a commissioned services budget and programme.

## Sustainable economic, social and environmental benefits

A process is in place to support policy and strategy development. Oversight of the central policy record, including compliance with procedure and equality impact assessments, is managed by the Executive Team. This ensures that the sustainability of policies and strategies and the wider benefits and interrelationships across the business are fully understood.

When developing strategies, policies or business plans the Office of the Police and Crime Commissioner will seek to impact assess such documents prior to their development. The outcomes of these assessments will inform development work and be taken into consideration when policies and strategies are approved. In this way, our policies and strategies provide a framework to support decision making.

The process for making decisions, particularly those that involve expenditure, includes an assessment of the longer term impact of proposals to ensure sustainability. Decisions on human resource planning, the most significant factor influencing the delivery of sustainable economic, social and environmental benefits, take account of the longer term financial outlook alongside projections of future turnover. This enables workforce planning and recruitment in a way that supports the economic management of training and supervision requirements and maximizes the benefits to the business.

All decision reports include a section which allows the author to identify any equality issues. These will be taken into account by the Commissioner when considering the decision.

To manage risk and ensure transparency of interests in decision making, the Commissioner and officers are required to make declarations where there are or may be perceived to be conflicts of interest. The role of the Monitoring Officer and the Commissioner's Oath of Office further supports decisions being made in the wider interest of the people of Cumbria, rather than representing any particular political interests.

The Police and Crime Plan and the policy and strategy documents that support it are developed to cover a four-year rolling timeframe and take into account feedback from public consultation and engagement.

All of these documents and the outcomes from consultation are published and are publicly available on the Commissioner's website. Information is published in a variety of mediums. The OPCC website has the functionality to assist in the access to information held. The COPCC would look to assist with translation of information or send information to a third party who can assist them. The COPCC website has the ability to translate into the main languages.



## Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.

Police and Crime Commissioners achieve their intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice and Commissioners have to make sure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.

### Determining Interventions

The Commissioner sets the strategic direction for Policing and wider interventions within the Police and Crime Plan. The Plan is reviewed annually to ensure decision making on activity and outcomes remains robust. The Commissioner's decision making policy adopts a set of principles to ensure all decision making is well informed, that options are rigorously considered and information is provided on potential risks.

The Constabulary is the primary provider of policing services and the recipient of the substantial proportion of funding from the Commissioner to deliver the Police and Crime Plan. Achieving best value through the delivery of an effective policing strategy is a condition of the arrangements for funding between the Commissioner and the Constabulary. Decisions are made annually on the level of resources and how they should be directed as part of the Commissioner's budget setting process.

The performance, outcomes and costs of the Constabulary are monitored through a framework that includes external comparators (HMICFRS Value for Money Profiles), Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection reports and an annual Value for Money Conclusion from the External Auditors. Recommendations from PEEL inspections are used to review decisions in year on resources and determine whether intervention are needed to respond to inspection findings.

Grant and Procurement Regulations set out a framework for commissioning and procurement activity that supports the achievement of best value and practical interventions to support Police and Crime Plan outcomes within wider commissioned services. A review of value for money arrangements is reported annually to the Joint Audit Committee, focused on the Constabulary's activities. This provides external oversight of staffing and wider financial resources committed to fulfilling legal and regulatory requirements of the service.

### **Medium Term Financial Strategy Objectives**

*To deliver a robust and balanced medium term financial plan and annual budget supported by an in-year reporting framework that monitors its delivery.*

*To ensure arrangements for funding between the Commissioner and Constabulary deliver value for money and support the priorities of the Police and Crime Plan*

*To ensure capital expenditure plans are robustly scrutinised, fully funded for a minimum of four years and are supported by capital strategies that meet the needs of the business*

*To maintain a risk assessed level of reserves to meet unplanned expenditure and to provide revenue budget smoothing for intermittent costs.*

*To ensure treasury management activities provide for the security of the Commissioner's funds whilst meeting the cash management needs of the Commissioner and Constabulary*

*To provide a framework for financial governance that ensures the proper administration of the Commissioner's financial affairs*

The Medium Term Financial Strategy sets out the financial plans for revenue and capital expenditure. An annual funding arrangement for the Chief Constable codifies the amounts and conditions of funding based on a financial proposal from the Constabulary. It sets out how the budget will be monitored including financial information and reporting requirements. Financial reporting provides a control to assess the extent to which planning assumptions for the budget have been matched by actual activity and expenditure in year. Further controls over the management of income and expenditure are detailed in the Commissioner's financial regulations. Key financial performance indicators for example prudential indicators, are set as part of the budget process, and monitored on a quarterly basis to ensure they are being met.

The Medium Term Financial Strategy sets out revenue forecasts of income and expenditure and the key financial assumptions and policies on which the forecasts are based. This supports a strategic approach to operational planning, savings requirements and decision making in support of the objectives within the Police and Crime Plan. It also ensures that the financial liabilities, risks and the level of provision and reserves within the budget are fully understood. The budget includes a 10 year capital programme aligned to plans for ICT, the estate and fleet, ensuring resources are balanced in the medium and longer term to meet the requirements of the business.

Financial, operational and commissioning plans are developed taking into account the feedback from the public and wider stakeholders. The Engagement Strategy sets out how the Commissioner will engage with a wide range of people and partners encompassing and including diversity within the

## **Planning Interventions**

A Commissioning Strategy and joint Procurement Regulations set out how services will be planned, procured and delivered. The Safer Cumbria Partnership provides a flexible and supportive mechanism through which services can be developed and delivered with shared risk. Grant and contract management arrangements are in place to monitor and review service quality.



County. The Commissioner in his role of consulting with the public uses the guiding principles of we asked, you said, we did as many engagement activities personally involve the Commissioner. To formally support the role of two-way engagement a six-monthly paper is presented to the Commissioner outlining trends from the various forms of engagement and this information is used as an integral part in the process of any key decisions. Further communication tools are used to ensure target audiences are kept up to date of developments and key decisions for the Commissioner.

## Optimising Achievement of Intended Outcomes

The Medium Term Financial Forecast integrates the budget and funding arrangements for the Constabulary with the Commissioner's directly managed budgets. The totality of estimated funding forms the basis for considerations regarding the trade-off between resources for commissioning and resources for policing to optimise outcomes within the Police and Crime Plan. Strategic priorities within the Plan support decision making on the respective policing and commissioning strategies. This determines for example, the number of police officers, the balance between people resources verses equipment and the balance between supporting victim's verses crime prevention activity.

The budget process is based on a proposal from the Constabulary. It takes a zero-based approach, working closely with the business to forecast operational requirements over 4 years for revenue expenditure and 10 years for capital expenditure. This includes a series of 'star chambers' providing

Chief Officers with the forum through which budget holders can be challenged. Through the budget process targets and plans are developed for savings and consideration is given to growth bids to resource new and changing requirements.

The Medium Term Financial Strategy includes information on national financial settlements for policing and what is known about settlements in future years. It also sets out the key financial risks that could impact on funding and expenditure nationally and locally. Sensitivity analysis provides information on the potential impact of changes to assumptions. Collectively this supports decisions on resources, services, performance and outcomes and ensures the business has a robust understanding of risks to the affordability of future plans. The Strategy incorporates information on plans for savings and the impact of funding changes for the number of police officers, PCSO's and police staff. This supports an on-going dialogue and monitoring between the Commissioner and Constabulary in respect of the necessary business change and its impact on outcomes and performance.

Through our Commissioning Strategy we engage and consult with the wider community on support and service provision gaps, this ensures that commissioning objectives and outcomes align with the needs of the local community as well as creating an opportunity for providers to innovate. Commissioning to local based providers ensures the economic, social and environmental well-being of the wider Community. Awarding of Contracts or Grant Agreements are based on the social outcomes and measures which meet local priorities and needs as opposed to financial gains and benefits.

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

Police and Crime Commissioners need appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. Commissioners must ensure that they have both the capacity to fulfil their mandate and to make certain that there are policies in place to guarantee that management has the operational capacity for the entity as a whole. Both the individuals involved and the environment in which Commissioners operate will change over time, and there will be a continuous need to develop its capacity as well as the skills and experience of the leadership and individual staff members. Leadership is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of their communities

### Developing the entity's capacity

Legislation provides that the Commissioner must appoint a Chief Executive and a Chief Finance Officer (statutory officers). The Chief Executive is the Commissioner's Head of Staff with responsibility for overall management of the Commissioner's office. The Chief Finance Officer (CFO) operates on a shared basis acting as CFO for both the Commissioner and the Chief Constable. Both the Chief Executive and Chief Finance Officer have statutory responsibilities with regards to determining the requirements in respect of staffing resources.

The Chief Executive is a member of the Association of Police and Crime Chief Executives (APACCE) and operates within the APACCE statement on the role of the Chief Executive and Monitoring Officers for Police and Crime Commissioners. The Chief Executive's job profile is based on the APACCE model to ensure the right skills, experience and qualifications for the role. The role of Chief

Executive is undertaken on a six-month rotating basis with the Deputy Chief Executive.

The role and functions of the Chief Finance Officer to support the Commissioner's mandate is set out within the Home Office Financial Management Code of Practice and by the Chartered Institute of Public Finance and Accountancy (CIPFA), the CIPFA statement. The job profile for this role is based on the CIPFA Statement. Compliance with the statement is self-assessed on an annual basis and reviewed by the Joint Audit and Standards Committee. Professional body subscriptions ensure the Chief Finance Officer has access to up to date Codes of Practice, guidance and professional standards

The structure and arrangements for staffing ensures the Chief Executive has management of overall staffing as Head of Paid Service with responsibility for effective succession planning and resilience on matters of business within a small team.

A framework for the development and review of the corporate plan and underlying business plans ensures action plans and performance targets are delivered to support continuous improvement. The

The costs of the Constabulary are benchmarked annually with reports presented for scrutiny to the Joint Audit Committee. Comparisons to most similar group policing areas are used to inform the budget savings programme and reduce costs.

Procurement regulations are developed jointly with the Constabulary and supported by a procurement strategy. The regulations incorporate procurement policy and procedures that aim to support the understanding and skills of all staff engaged in the procurement process. The procurement strategy sets out how the function will develop to deliver best value from procurement activity. The procurement regulations are supported by a set of grant regulations governing commissioning activity through a grant based process.

## Developing the entity's leadership

The key functions and roles of the Commissioner, the Chief Executive/Monitoring Office and Chief Finance Officer are set out in the Police Reform and Social Responsibility Act 2011 (PRSRA) and the Policing Protocol Order 2011 (PPO). These functions and roles define the responsibilities for leadership and are codified in the Commissioner's Scheme of Delegation and wider documents within the Corporate Governance Framework.

The Chief Executive is the Commissioner's lead advisor. Key responsibilities include working with the Commissioner to enable delivery against his vision, strategy and identified priorities and facilitating the accurate and appropriate scrutiny of

### *Key functions and role of the Commissioner*

*Sets strategic direction & objectives of the force, issues the Police and Crime Plan (the Plan) & an annual report*

*Holds the Chief Constable to account for the exercise of his/her functions and force performance; Monitors complaints.*

*Receives all funding, decides the budget & precept; allocates funding to maintain an efficient and effective police force*

*Provides the link between the police and communities; publishes information on Commissioner and force performance*

*Responsible for the delivery of community safety, crime reduction, the enhancement of criminal justice and victim support*

the Constabulary's activities. The Chief Executive is also the Commissioner's statutory Monitoring Officer, providing support to ensure the Commissioner's functions are carried out and has specific legal, financial and governance duties in addition to those which derive from statutory responsibilities. The Chief Executive operates in accordance with professional standards and the legislative and fiduciary responsibilities of the statutory office.

The Chief Finance Officer is the lead financial advisor to the Commissioner and has statutory responsibility to ensure that the financial affairs of the Commissioner are properly administered. The CFO provides all financial advice, provides a statutory report on the robustness of the budget and ensures systems of internal financial control are effective.

The Commissioner's Scheme of Delegation is part of a wider governance framework that further details specific decision making and wider responsibilities of key officers in relation to areas of governance and ensure all staff have a shared understanding of

the roles, responsibilities and decision making authority within the Commissioner's Office. All governance documents are regularly reviewed and updated as roles develop to respond to changing legislation, regulations and other new requirements.

A member/officer protocol further sets out the roles of political office holders (the Commissioner/Deputy Commissioner) and non-political office holders (staff employees) to provide clarification on respective responsibilities and expectations around how relationships are anticipated to work. This is supported by arrangements for the declaration of interests to ensure the Commissioner, members and staff are free from relationships that would materially interfere with decisions making and their roles.

Members of the Joint Audit Committee are recruited for their specific skills and experience to fulfil the role of the Committee. Role profiles include a person specification that requires applicants to demonstrate a sound understanding and relevant professional experience. The Committee has clear terms of reference and membership that is consistent with the requirements of the Home Office Financial Management Code of Practice, and CIPFA guidance. Development sessions, access to relevant publications and CIPFA/Grant Thornton external workshops support members continued development.

The Cumbria ICV Scheme comprises of four panels of volunteer Custody Visitors. Every new volunteer is required to undertake a half-day basic induction course, followed by an accompanied night observation visit; thereafter, new visitors are trained "on the job" by attending visits in the

company of a more experienced colleague for the first six months. On-going ICV training is provided at the regular panel meetings and annual local and regional conferences.

In 2016 the OPCC became a member of the Independent Custody Visitors Association (ICVA) to which it pays an annual subscription. ICVA is a Home Office funded organisation set up to promote and support the effective provision of custody visiting nationally. ICVA works closely with government and criminal justice organisations providing advice on best practice for independent custody visiting schemes nationally; training; and publicity to Police and Crime Commissioner and custody visitors.

The Police and Crime Commissioner subscribes as a member of the Association of Police and Crime Commissioners (APCC). The APCC delivers daily written briefings received by the Commissioner and office staff, covering press and parliamentary reporting on those areas within the Commissioner's responsibilities to ensure the Office is kept updated on current developments.

The APCC and APACCE deliver national events to ensure Commissioners and their Chief Executives remain informed and have the opportunity to discuss significant issues and develop collective approaches. There are also bi-monthly regional meetings of Chief Executives and quarterly regional meetings of Commissioners and Chief Executives. The Chief Executive/Monitoring Officer leads for the Commissioner on ensuring that appropriate policies and procedures are adopted and followed to ensure the COPCC complies with relevant statutes and regulations and has the capacity to deliver across these requirements.

The CFO subscribes to the Police and Crime Commissioners' Treasurers' Society (PaCCTS), supporting continuous development and ensuring the CFO maintains a breadth of understanding on policing finance. Further capacity and expertise is commissioned to support specialist services for treasury management, taxation and insurance brokerage.

Arrangements for staff appraisal provide the opportunity to discuss and review individual performance and training and development needs.

## Developing the capability of individuals within the entity

The Commissioner has adopted a number of joint personnel policies with the Constabulary in addition to operating within a suite of COPCC specific policies that provide a framework for all issues related to employee management, terms and conditions. This includes policies on how staff and staff associations will be engaged in any change processes. There is a general principle for on-going consultation and engagement during any areas of business change, creating an environment where staff can perform well and where ideas and suggestions are welcomed.

Personnel policies aim to promote a motivated and competent workforce whilst supporting the health

and well-being of staff. They include arrangements for work-life balance through a scheme of flexible working and facilitate access to wider benefits e.g. special leave at times of specific personal need.

Business is carried out supported by policies and procedures that support the full range of human resource management responsibilities and all policies are subject to cyclical review in accordance with the Commissioner's policy framework. This supports continuous improvement, ensuring updated guidance is available for staff on how to carry out their roles and the wider responsibilities they should take into account.

All officers have clearly defined role descriptions and reporting lines based on the roles and the functions for which they are accountable, to ensure service delivery responsibilities are clear and can be monitored. Individual capabilities, performance and development requirements are assessed annually through a review process to agree the support, training and development staff need to carry out their duties and responsibilities.

Professional staff undertake continued professional development in line with the requirements of their professional bodies. The budget setting process provides for training and development budgets to support mandatory and discretionary training and development requirements.

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

Police and Crime Commissioners need to ensure that the entities and governance structures that they oversee have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management, business continuity and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving outcomes. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability.

### Managing risk

The Commissioner's Risk Management Strategy sets out the overall arrangements for managing risk including the arrangements for holding to account the Chief Constable in respect of those risks that fall within his functions. The Strategy establishes how risk is embedded throughout the various elements of corporate governance of the COPCC, whether operating solely or jointly with the Constabulary. The Strategy incorporates a clear framework of objectives, designates roles and responsibilities for risk management and provides a mechanism for evaluating and scoring risks, and supporting decision making in respect of mitigating action.

The strategy and risk registers are regularly reviewed to ensure a clear alignment between risk management activity and the organisation's objectives. Reporting formats ensure arrangements are dynamic and support the early identification of strategic and operational risks. Identified risks are logged on a risk register with clear ownership and are reviewed cyclically based on a score that

denotes the severity and impact of the risk should it occur. Every project run by the COPCC has a separate risk register. All decision and report forms include a section for the author to complete in which to identify any risks or potential risks. To ensure effective ownership and monitoring of risks, the Office of the Police and Crime Commissioner provides risk management training to all staff.

The arrangements for risk management are subject to on-going monitoring and review to ensure their continued effectiveness. This comprises review by internal audit and review by the Joint Audit Committee. The strategic risk register is presented to the Committee at each quarterly meeting. The Committee also receives the Risk Management Strategy on a quarterly basis and a report from the Chief Executive annually reporting on the effectiveness of arrangements for managing risk.

## Managing performance

The Commissioner holds Public Accountability Conferences, which facilitates the arrangements for monitoring service delivery and holding the Chief Constable to account. This is supported by regular one to one briefings between the Commissioner and Chief Constable and an office level Collaborative Board. Senior Officers within the OPCC attend strategic Constabulary meetings to provide challenge and oversight of the arrangements that support decision making, delivery of key areas of business and the allocation of resources.

The Police and Crime Panel is the statutory body that provides the public accountability checks and balances in relation to the performance of the Commissioner and scrutiny of any decision made. The Panel receives cyclical information and reports on service delivery plans and progress towards outcomes. The Panel is consulted on the development of the Police and Crime Plan and budget, with a power of veto over the Commissioner's precept. The panel receives an Annual Report setting out what has been achieved in respect of delivery of the Police and Crime Plan objectives, and a financial outturn report comparing actual expenditure against the budget and including summary financial statements.

## Robust internal control

The Commissioner is responsible for reviewing the effectiveness of his governance framework including the system of internal control. This work is informed by the work of Chief Officers and Senior Managers who undertake an overarching review of key controls and governance arrangements in support of the key principles in this Code.

### *Police and Crime Panel Functions*

*The functions of the Police and Crime Panel include reviewing the draft police and crime plan, public scrutiny of the annual report and the power of veto over the level of the Commissioner's proposed precept*

Senior Managers with responsibility for financial systems provide annual management assurances using a CIPFA internal control framework as part of this process. This is further supported by an annual fraud risk assessment completed by the Chief Finance Officer and reviewed by the external auditors. Arrangements for anti-fraud and corruption are subject to cyclical internal audit review.

An independent internal audit service is commissioned through shared service arrangements with the county council. Internal audit develops and delivers a risk based annual audit plan of work that reviews internal controls. This supports an annual opinion from the Chief Internal Auditor on the overall adequacy and effectiveness of the framework of governance, risk management and control.

An independent Joint Audit Committee assures cyclical internal reviews of key governance documents (e.g. financial regulations, arrangements for anti-fraud and corruption and the risk management strategy) at its November meeting and receives annual reports reviewing the effectiveness of arrangements for risk, governance and internal control in May and July. The Joint Audit Committee receive a copy of all internal and external audit reports, can table reports for discussion and monitor the implementation of audit recommendations. The Committee undertakes an annual self-assessment to ensure

on-going compliance with the CIPFA framework for Police Audit Committees.

## Managing Data

The Office of the Police and Crime Commissioner operates within the parameters of legislation, such as the Data Protection Act. It ensures that all data, including personal data, is appropriately stored and shared where necessary. Data is held in accordance with the COPCC Retention Schedule, removed or destroyed appropriately and access to information is restricted where appropriate to relevant members of staff. Data will not be held for longer than is necessary. Appropriate security measures are taken for both electronic and physical data. All staff are aware of their responsibilities when handling and storing both electronic and physical data and the need to comply with General Data Protection Regulations.

## Strong public financial management

Arrangements for financial management support for the Commissioner in achieving outcomes and delivering strong operational and financial performance by ensuring that resources are used in accordance with approved plans for service delivery and investment. The arrangements for financial management are codified within a suite of financial governance documents and comply with the relevant CIPFA Codes of Practice and guidance. Financial management controls ensure expenditure is only committed in accordance with the approved budget and the purpose for which approvals have

been given. Financial monitoring supports the early identification of variances between actual expenditure and income, supporting timely decision making on remedial action.

A funding arrangement between the Commissioner and Constabulary sets out the consents and arrangements for financial management between the Commissioner and Chief Constable. This ensures funding within the Constabulary is directed toward the achievement of the Policing Strategy and priority outcomes within the Police and Crime Plan.

Financial regulations set out the role and responsibilities of Chief Officers and senior staff for financial management and governance. They include financial management standards to be adhered to by all staff across the organisation and the wider framework of controls including the arrangements for the statement of accounts.

Financial risks and mitigations are set out within the Medium Term Financial Strategy and are managed within the Commissioner's overall framework for managing risk. The Joint Chief Finance Officer takes ownership of all financial risks and reports to the Joint Audit and Standards Committee on the management of strategic financial risks. Arrangements for financial management are cyclically reviewed by the internal auditors for assurance and form part of the arrangements reviewed by the external auditors in forming their conclusions on the financial statements and value for money.



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

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

### Implementing good practice in transparency

The Commissioner's annual report is the primary communication through which the public can access and understand the performance and activities of the Commissioner and his Office. Design work for the report is commissioned from external media and communication professionals which alongside the written style aims to support transparency and public accessibility of the report.

All public documents are published on the COPCC website and are available in accessible formats. Further options can be offered on request. The intention is to ensure that all documents are written in such a way as to make them accessible to readers that may not have a detailed knowledge of the subject matter, though with some complex issues this is not always possible. The publication of key documents, such as the Police and Crime Plan, is supported by a media release to raise awareness of the document and its purpose.

Arrangements for financial reporting aim to ensure the accessibility of financial information for readers and users of financial reports. On complex matters of communication, for example consultation on budget, precept and services, professional support

has been procured to ensure a robust public understanding of complex issues.

### Implementing good practices in reporting

The Office publishes an annual report, scrutinised by the Police and Crime Panel, to communicate the Commissioner's activities, achievements and performance and that of the Chief Constable and the force. The annual report presents the performance outcomes achieved against an agreed framework of targets and measures.

The Commissioner is subject to the Accounts and Audit (England) Regulations 2015 and prepares a set of accounts in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting. Compliance with the Code of Practice ensures the comparability of financial information within the statements with other similar entities and their publication in accordance with statutory timeframes. The financial statements include a comprehensive income and expenditure statement, which is aligned to in year financial reporting and monitoring. A narrative statement by the Chief Finance Officer sets out the overall financial and business performance for the year within an accessible summary statement. The

financial statements include the external auditors report setting out the overall opinion and conclusions on value for money.

The Commissioner's overall arrangements for governance are reviewed annually against this Code of Corporate Governance with a report made on how it has been complied with. This 'Annual Governance Statement (AGS)' is subject to review by the Joint Audit and Standards Committee. The AGS includes an action plan setting out the work that will be undertaken over the following year to support continuous improvement in line with the principles of this Code and the CIPFA good governance framework.

The Commissioner and the Joint Audit Committee receive annually a report reviewing the governance arrangements for internal audit against the requirements of the Public Sector Internal Audit Standard (PSIAS).

## Assurance and effective accountability

Grant Thornton UK LLP are the external auditors appointed to both the Police and Crime Commissioner for Cumbria and the Chief Constable for Cumbria Constabulary, to report key matters arising from audits of the Commissioner and Chief Constable's financial statements. The external auditors also reach a formal conclusion on whether the Commissioner and Chief and Constable have put in place proper arrangements to secure economy, efficiency and effectiveness in the use of resources. The audit findings report is published in the financial statements and presented to the Commissioner and Joint Audit Committee for

review. The Joint Audit Committee monitors the implementation of recommendations arising from the audit and have the expertise to challenge the external audit approach, supporting assurance of its effectiveness.

Further accountability is provided through the arrangements for internal audit. Internal audit is delivered through a shared service and in accordance with an Internal Audit Charter that ensures compliance with the PSIAS. An annual review of the effectiveness of the internal audit service, including the arrangements for the Joint Audit Committee, is undertaken annually by the Joint Chief Finance Officer against CIPFA best practice standards. The report is published on the Commissioner's website to support assurances on internal control.

The arrangements for accountability further incorporate challenge, reviews and inspections from HMICFRS. Whilst these are primarily aimed at Constabulary performance, elements of specific reviews include jointly delivered activities and specifically commissioned reports that cover governance across both organisations. Recommendations are reported to and monitored by the Commissioner and Joint Audit Committee.

The Ethics and Integrity Panel also monitors and reports on some specific areas of activity, such as complaint handling and ethical issues. The Panel has carried out a series of thematic inspections into specific areas of Constabulary activity. The Panel are able to look objectively at these areas and provide valuable independent scrutiny and feedback to the Constabulary on their findings.

The arrangements in this document set out our framework for governance in accordance with CIPFA's Good Governance Principles and guidance. Annex A to this Code sets out our governance schematic, summarising the arrangements we have in place internally and sources of external guidance and support. Further information on the arrangements for Governance can be found on the Commissioner's website under the tab headed Governance and Transparency.



We welcome your views on the Commissioner's Code of Corporate Governance. You can do this by using the contact information below:

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