



DORSET

POLICE & CRIME
COMMISSIONER

Annual Governance Statement 2019/2020

Approved May 2020



Scope of Responsibility

The Police & Crime Commissioner and Chief Constable are responsible for ensuring that all business is conducted in accordance with the law and proper standards, and that allocated public money allocated is safeguarded, properly accounted for, and used efficiently and effectively. In discharging their overall responsibilities they must maintain proper governance arrangements, facilitate the effective exercise of their functions, and ensure a reliable system of internal controls for managing risk.

Their legal duties and responsibilities are clearly defined within the following:
[Police Reform and Social Responsibility Act 2011](#)
[Policing Protocol Order 2011](#)
[Financial Management Code of Practice for the Police and Fire & Rescue Services 2018](#)
[Strategic Policing Requirement 2015](#)



To support the delivery of their legal responsibilities the Police & Crime Commissioner and Chief Constable have established a Corporate Governance Framework that includes the Code of Corporate Governance.

The code is consistent with the CIPFA SOLACE [Framework for Delivering Good Governance Guidance Notes for Policing Bodies 2016](#).

This statement explains compliance to the code and the [Accounts and Audit \(England\) Regulations 2016](#) requirement that all relevant bodies prepare an Annual Governance Statement.

The Code of Corporate Governance sets out the principles of good governance and describes the arrangements that the Police & Crime Commissioner and Chief Constable have put in place to meet each of these principles.

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

B. Ensuring openness and comprehensive stakeholder engagement

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

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

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

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

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

Key Terms

Code of Corporate Governance – sets out the agreed system of governance including the formal Scheme of delegation, Roles and Responsibilities and Financial Regulations

Corporate Governance Framework – includes all systems and processes for the management of Corporate Governance as well as the formal Code of Corporate Governance

Scheme of Corporate Governance – expresses the commitment of the two corporations sole to conduct business in an open, inclusive and accountable way

A copy of the Code of Corporate Governance is available on the Police & Crime Commissioners website at www.dorset.pcc.police.uk

The Purpose of the Corporate Governance Framework



The Corporate Governance Framework sets out the systems, processes, culture and values by which the Police & Crime Commissioner and the Chief Constable manage their affairs.

This includes their leadership arrangements, methods of engagement and accountability to the communities they serve. This enables them to monitor the achievement of strategic objectives and to consider whether appropriate, cost effective services have been delivered.

The Framework establishes a system of internal control that manages risk to an acceptable level. The risk of failure to achieve strategic objective cannot be entirely eliminated but it can be managed to provide reasonable levels of assurance. Risks to the achievement of aims and objectives are identified, prioritised and managed on an ongoing basis.

The Scheme of Corporate Governance and Scheme of Delegation set out the decision making framework, which upholds the principles of the Policing Protocol Order, designed to ensure an effective and constructive working relationship between the Police & Crime Commissioner and the Chief Constable.

The Code of Corporate Governance has been in place and available for the year ended 31 March 2020 and up to the date of approval of the annual accounts.

Key Elements of the Governance Framework

The Police & Crime Commissioner and the Chief Constable are two separate legal entities with separate statutory responsibilities. However, they work together to ensure Dorset Police is working effectively and is held accountable for the standard of service delivered to the public.

The framework sets out the strategic and operational controls that facilitate the delivery of the Police & Crime Plan objectives. The structures, processes, risk management and other internal control systems, such as codes of conduct, form part of the framework designed to manage the barriers to the achievement of the strategic plan.

The Police & Crime Commissioner is responsible for proper governance arrangements and the stewardship of resources. This is achieved through the Strategic Management Team (SMT), which includes the statutory roles designed to deliver effective and efficient governance, namely the :

- Chief Executive (and Monitoring Officer); and
- Treasurer (and Section 151 Officer).

The Director of Operations also supports the Chief Executive as Deputy Monitoring Officer. The SMT meets regularly with Force Executive as the Joint Leadership Board.

Governance arrangements are regularly reviewed by the Independent Audit Committee.

To achieve their objectives the Police & Crime Commissioner and the Chief Constable have systems and processes to regulate, monitor and control their activities. The Corporate Governance Framework sets out these in full.

The financial management arrangements for the Police & Crime Commissioner and the Chief Constable are compliant with the governance requirements set out in the [CIPFA Statement of the Role of the Chief Financial Officer in Local Government \(2015\)](#) and the CIPFA SOLACE Delivering Good Governance in Local Government: Framework (2016 Edition).



The Governance Framework

The Annual Governance Statement

**THE CHIEF CONSTABLE and
POLICE AND CRIME COMMISSIONER**
(Challenge the draft AGS and supporting evidence.
Agrees and sign the final statement)

**INDEPENDENT AUDIT
COMMITTEE**
(Challenge the draft AGS
and supporting evidence)

**THE CHIEF EXECUTIVE &
MONITORING OFFICER**
(Supports good governance,
legal & ethical assurance)

**THE TREASURER &
SECTION 151 OFFICER**
(Supports effective financial
management)

The Code of Corporate Governance

**LEGITIMACY &
CONSTITUTION**
Codes of Conduct
Scheme of Delegation
Complaints &
Misconduct
Anti-Fraud &
Corruption

Independent Office
for Police Conduct

Professional
Standards Unit

Ethics Committee

Public Engagement
& Consultation

Complaints
Resolution

Whistleblowing &
Confidential
Reporting

College of Policing
Code of Ethics

**STRATEGIC
PLANNING**
Business Analysis,
Development &
Planning
Performance
Risk Management
Business Continuity
Partnership Working
Equality & Diversity
Policy & Procedure

Annual Report

Force Management
Statement

Performance
Reports

Police & Crime Panel

Independent Audit
Committee

Scrutiny Panels

Internal Audit
Programme &
Opinion

Risk & Assurance
Framework

**FINANCIAL
MANAGEMENT
FRAMEWORK**
Budget Setting &
Monitoring

Financial Regulations
& Practice

Treasury &
Investment Strategy

Medium Term
Financial Strategy

Statement of
Accounts

External Audit Letters
& Opinion

South West Police
Procurement &
Contract Monitoring

HR POLICIES
Terms & Conditions
Remuneration

Establishment
Controls

Recruitment &
Retention

Training &
Leadership

Sickness
Management

Personal Appraisals

Review of Effectiveness

Police and Crime Commissioner and Chief Constable

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

The review is managed by the Audit, Insurance and Strategic Risk department, and informed by both internal and external audit, as well as HMICFRS which graded Dorset Police as **good**, and the Independent Audit Committee who review elements of the framework for effectiveness throughout the year.

The review of effectiveness for 2019/20 concluded there is **substantial** evidence of good governance against each of the seven CIPFA principles.

This means: the areas reviewed are adequately controlled; internal controls are in place and operating effectively; and risks against the achievement of objectives are well managed.

Internal Audit

The internal auditors completed an annual programme of risk-based audits. The plan flexes to cover emergent risks. This process includes all key financial systems and recommendations for improvement are provided to the relevant manager and the Independent Audit Committee.

Based on this, the Head of Internal Audit has concluded there is a **reasonable** management of the control environment.

External Audit

The external auditors deliver an audit opinion based on their verification of the financial accounts and the delivery of value for money. The opinion is published within the [Joint Annual Audit Letter](#).

External audit provided **unqualified** assurance on the value for money and financial management arrangements provided by the Office of the Police and Crime Commissioner for the 2018/19 accounts. The opinion for the 2019/20 accounts is still awaited.

Independent Audit Committee

The Independent Audit Committee challenges and monitors financial management, performance and policies on an on-going basis.

The Committee Chair keeps issues under review through meetings with the Executive and senior managers.

The members of the Committee work together, developing and using their knowledge and expertise, and that of others to the best effect.

They have a non-political, evidence based approach that has been proven to achieve good results.

To support their role, all Committee Members regularly reviews and consider their training requirements and this year received treasury management training.

The Committee also considers risk management, alongside the Risk & Assurance Board.

Review of Effectiveness

Principles of Good Governance

The internal auditors also assessed the regional corporate governance arrangements of both police and partner agencies.

The review assessed the assurance provided by each organisation's Annual Governance Statement and concluded that Dorset OPCC is compliant with CIPFA standards for the seven principles of good governance in policing.

The report also identified areas of good practice in Dorset when compared to the other public sector organisations reviewed.

National Assurance

As a member of the Association of Police and Crime Commissioners (APCC) the Dorset PCC is the lead for a number of national portfolios.

He is currently the national lead for custody, forensics and suicide prevention and the deputy lead on mental health. He is also closely associated with the national programmes for rural crime, custody visiting, the use of force and fraud.

Dorset Police and Crime Panel

The Police & Crime Panel is responsible for reviewing the PCC's Police & Crime Plan. It holds the Commissioner to account for delivery of the plan objectives, reviews the appointment of the Chief Constable and statutory OPCC officers, reviews the setting of the proposed police precept, challenges the PCC and considers any complaints made against them.

During 2019/20 the Dorset panel has:

- Supported the appointment of the OPCC Treasurer
- Reviewed and approved the proposed Precept, Budget and Medium Term Financial Strategy
- Considered and debated the decision not to proceed with the proposed merger

OPCC Independent Scrutiny Panels

The OPCC manages a number of independent scrutiny panels that help the PCC hold the Chief Constable to account for services delivered to the public. Panels have independent chairs and consists of members of the community along with representatives from the Force and OPCC.

The panels independently scrutinise specific areas of force activity (such as stop and search, or use of force). The panels are designed to evidence good working practices and investigate areas for improvement. Reports are submitted to the Dorset Joint Leadership Board and an overview of the Panels' work is provided to the Police & Crime Panel.

There are currently four scrutiny panels: the customer service improvements panel, the out of court disposal panel, the use of force scrutiny panel and the stop and search panel. Information on these is readily available on the OPCC website.

Review of Effectiveness

OPCC Senior Management Team

The OPCC Senior Management Team (SMT) meet on a weekly basis. Members include the Police and Crime Commissioner, Chief Executive, Chief Finance Officer and Director of Operations.

Members consider reports submitted by the OPCC team for information and decision. Progress is tracked on previous actions and any live “challenges” issued by the OPCC to the Force.

A weekly report is updated to record the views and decisions of the SMT and is circulated to the wider OPCC team. The agenda includes an update from the OPCC Chief Finance Officer on matters of treasury, finance, audit and risk. The SMT also take time to discuss papers and strategic issues to be raised at future boards.

The meeting also provides an opportunity for the SMT to discuss priorities, share ideas and determine areas of priority and focus.

Joint Leadership Board

The Joint Leadership Board meets twice a month to review the Dorset Police’s financial affairs and strategies.

The PCC and Chief Constable meet with executive managers to provide leadership, set strategic direction and monitor the co-ordination required to achieve objectives.

The Board is also responsible for financial planning and reviews the position statements provided by the executive team to ensure oversight across the portfolio areas.

PRISM Board

The PRISM Board manages the key change, transformation and continuous improvement programme,

This board drives change activity to ensure the delivery of predicted benefits and outcomes across both Dorset and Devon & Cornwall Forces.

Financial reports are reviewed alongside local, regional and national programme updates, which includes the assessment of risks and timelines.

Resource Control Board

The Resource Control Board allows the PCC and Chief Constable to ensure that resources are utilised in the most effective and efficient manner - including land, property, finance, projects and people. The Board receives regular reports on workforce supply, litigation, capital health checks and group financials. This has supported the achievement of the strategic objectives as recorded in the Annual Report, some of which are recorded below:

- Increased recruitment and uplift in Police Officer numbers
- Investment in technologies including ANPR (automated number plate recognition)
- Roll out of Body Worn Video
- Improvements to CCTV coverage and additional road safety cameras
- Purchase of the “Bobby Van” to help vulnerable and older people
- Launch of the Cadet Scheme for the benefit of young people

Review of Effectiveness

Strategic Performance Board

The Deputy Chief Constable and the Police & Crime Commissioner jointly chair the Strategic Performance Board to consider overall Force performance against service delivery.

The Corporate Development Department analyse demand and performance data to assess capacity and capability. The Force Strategic Assessments and the Control Strategy determine operational priorities and requirements to inform organisational design and effective financial planning.

The Force financial strategies support the provision of a sustainable workforce taking into account the requirements for recruitment, training and succession planning.

The organisation monitors activity towards equality objectives, and delivery of the public sector equality duty. The Force aims to create a diverse and inclusive workforce that represents the communities it serves. During 2019/20 recruitment has worked to achieve the promised increase in Police Officer numbers and will continue to support the national programme for the uplift of Police Officers.

Response to Coronavirus

The OPCC has worked closely with the Chief Constable to put in place fast-paced contingency plans for the effective delivery of policing in the light of the Covid-19 pandemic.

All operational units and departments have tested business continuity plans designed to support emergency service response. In support of this, the Commissioner's office has reviewed and tested its own business continuity requirements.

Partnership Working

Each unitary local authority within Dorset (Bournemouth, Christchurch and Poole Council, and Dorset Council) has its own Community Safety Partnership.

The OPCC works with Dorset Police and their partnership agencies, the national probation service, community rehabilitation companies, local authorities, fire and rescue service and NHS primary care trusts to formulate strategies and plans that tackle crime, disorder and drug misuse in the local area.

Improvements and benefits identified by these mandatory partnerships are monitored by the OPCC.

Key Governance Principles

Each year the Police & Crime Commissioner and Chief Constable review governance arrangements against delivery of service.

The assessment of governance arrangements against the seven CIPFA principles of good governance (see Page 2) conducted by the Audit, Insurance and Strategic Risk department considers the effectiveness of a range of evidence from strategies, policies and procedures to independent reviews, audits and inspections.

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

The Professional Standards Department monitors conduct and standards of behaviour. There is a robust complaints handling process with significant cases referred to the Independent Office of Police Conduct for independent review and an appeals process handled by the OPCC.

The Whistle Blowing Policy supports the confidential reporting processes and any conflicts of interest are formally managed.

Compliance to laws, regulations, policies and procedures are evidenced by the relatively low level of liability claims and legal challenge against the Force. The joint Legal Services Department provides support and advice on legal matters.

The OPCC Treasurer and the Force Chief Finance Officer (CFO) work closely together to ensure compliance to the governance requirements set out in the CIPFA Statement on [“The Role of the CFO of the OPCC and the CFO of the Chief Constable”](#).

A series of executive level meetings are held between the Force and OPCC to secure the most efficient use of public funds. The principles of goodwill, professionalism, openness and trust underpin their relationship.

The OPCC Chief Executive has responsibilities as the Monitoring Officer for ensuring the OPCC remains compliant to laws and regulations.

They are also responsible for advising the Commissioner on policy and strategy and for guidance on the commissioning and delivery of contracted services.

Public consultations are undertaken to assess victim satisfaction and public confidence. This data is analysed and reported to the Strategic Performance Board where it is used to inform strategic operational plans and support the achievement of the Police and Crime Plan objectives. Survey results are monitored quarterly and considered against the achievement of local and strategic plans.

The OPCC Treasurer holds statutory responsibility for the integrity of financial controls and the provision of resources and paid services. This includes financial planning and long term treasury management. The OPCC Treasurer works closely with the Force CFO.

Ensuring openness and comprehensive stakeholder engagement

The OPCC website provides the public with full details of how to best contact the Commissioner or the Force according to their need. The website supports openness and transparency relating to all the Commissioner's activities and provides links to the Dorset Force website and other multi-agency partnerships that provide direct or indirect services to the public.

There is a statutory duty for the Force and OPCC to consult openly with the public and local stakeholders to reduce crime. The OPCC publishes an [annual engagement report](#) outlining its engagement activities.

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

The Police and Crime Plan is the strategic plan that sets clear objectives for improved service delivery to the public. Achievement against outcomes are publicly available on the OPCC website.

The annual Force Strategic Assessment evaluates overall Force capacity and capability through demand and performance analysis.

Corporate Governance arrangements set out the decision making framework. Details of strategic decisions are published on the OPCC website.

This supports the development of sustainable operational plans that deliver the objectives of the Police & Crime Plan.

The OPCC commissioning team work together with partner agencies to identify potential gaps in service provision, work to find sustainable solutions and commission appropriate organisations or partners to provide services in the identified areas. Progress on outcomes are published in the Commissioner's statutory [Annual Report](#).

Determining the interventions necessary to optimise the achievement of intended outcomes

The Strategic Performance Board considers overall Force performance against service delivery.

Commanders, senior managers and business leads are accountable for the performance of their respective business areas.

Strategic organisational objectives are benchmarked against progress on national and regional programmes to ensure timescales and financial costs are managed to completion.

Change is managed by the Business Change Department who work alongside the OPCC to consider ideas for improvement and create a structured delivery programme.

The recommendations identified by Her Majesty's Inspectorate of Constabulary (and the Fire and Rescue Service) are developed into action plans. Any lessons learnt are recorded and improvements implemented to increase performance and maximise the use of resources.

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

The roles of PCC, Chief Executive and Chief Finance Officer are statutory, and the responsibilities of these roles are clearly defined according to legislation and national guidance.

All OPCC roles have job descriptions that clearly define their responsibilities, with performance and scope of these roles being regularly reviewed. Regular assessments are also undertaken to ensure future resources are well equipped to meet predicted demand.

All OPCC roles are matched to required skills within the OPCC structure. Training and recruitment plans are then developed to ensure that the right management skills are available. An annual training budgets supports the development of staff capability, as identified through said plans.

Managing risk and performance through robust internal control and strong public financial management

Strategic risks are managed through an effective risk management framework designed to provide assurance reports to the executive.

There are effective counter fraud and corruption procedures in place across both organisations with cohesive working arrangements between Professional Standards, Audit, Finance and Legal Services. Regular reports are provided to the Executive on the effectiveness of arrangements with independent scrutiny provided by the internal auditors on any weaknesses identified. This includes regular review of the controls in place to prevent financial error or fraud.

Dorset Police complete the mandatory National Fraud Initiative on behalf of the organisation. All irregularities are investigated and reported to the Home Office who set the initiative, and are considered by the Independent Audit Committee. No incidents of fraud or corruption were detected from the matches created from the last data submission in 2018/19.

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

Internal audit provides objective scrutiny and assurance on the controls in place that prevent error, fraud or corruption; in line with the requirements of the CIPFA statement on the Role of the Head of Internal Audit.

The Chief Constable and Commissioner must provide adequate resources and open access to any information required by the auditors.

The Independent Audit Committee is a key component of corporate governance. Its purpose is to provide independent assurance on the adequacy of internal controls and financial management.

The external auditors are responsible for the scrutiny of financial arrangements and the audit of the annual accounts prior to publication. The auditors then form and deliver an opinion on the provision of "value for money" by the Force.

Significant Governance Issues

This statement is intended to provide reasonable assurance on governance arrangements. It is stressed that no system of control can provide absolute assurance.

In conclusion, no significant governance issues have been identified during this year's review. For completeness the minor issues identified and recorded below will be addressed to ensure continuous improvement.

ACTIONS 2018-19

PRINCIPLE	ACTION	PROGRESS
Defining outcomes in terms of sustainable economic, social and environmental benefits.	The decision not to proceed with the proposed merger between Devon & Cornwall and Dorset Police has required a review of governance and reporting arrangements that support effective planning and decision making. The proposed governance structure is being considered and implemented as agreed but has not yet had time to embed or be reviewed for effectiveness.	Complete: The Chief Constable and Police & Crime Commissioners of Devon & Cornwall and Dorset Police pledged a commitment to continued working together. Governance arrangements continue to embed and have been assessed as effective during this review.
Developing the entity's capacity including the capability of its leadership and the individuals within it.	Over the eight years of austerity the reduction in central funding and precept has forced a reduction in Force capacity. Robust financial planning and transformational change programmes like the Strategic Alliance with Devon & Cornwall Police and the PRISM programme have increased efficiencies and improved the capability of the Force. There have been significant investments in talent, leadership and wellness to enhance both capacity and capability. The Force continues to review its financial position while planning for an effective Force in the future.	Complete: The increase in precept and the governments mandate to significantly increase officer numbers have enabled plans to be implemented that will increase both capacity and capability.

MINOR ACTIONS IDENTIFIED 2019-20

PRINCIPLE	ACTION	PROGRESS
Defining outcomes in terms of sustainable economic, social and environmental benefits.	Delays to the review of the Code of Corporate Governance.	The Executive and Independent Audit Committee will agree the reviewed terms of the Corporate Governance Framework, including the Schemes of Delegation and Consent.
Determining the interventions necessary to optimise the achievement of intended outcomes	Managing the long term effects of the COVID-19 outbreak.	Monitoring lessons learnt so that identified opportunities are realised and business continuity arrangements reviewed to ensure the delivery of sustainable services.
Implementing good practices in transparency, reporting and audit to deliver effective accountability	That shared decision-making meets the needs of both Forces.	The review of governance for shared functions. This will include any change in working arrangements following the appointment of the permanent Force CFO.

Opinion and signature

The Corporate Governance Framework adopted by the Police & Crime Commissioner and Chief Constable demonstrates all the elements required to support effective governance. The annual assessment of arrangements during 2019/ 2020 has provided an overall assurance opinion of substantial.

**Police and Crime Commissioner
Martyn Underhill**

Dated:

**Chief Executive
Simon Bullock**

Dated: