

Devon and Cornwall Police and the Police & Crime Commissioner for Devon, Cornwall & the Isles of Scilly



Joint Annual Governance Statement 2020-21



Approved September 2021

Scope of Responsibility

The Chief Constable and Police & Crime Commissioner are responsible for ensuring that all business is conducted in accordance with the law and proper standards, and that the public money allocated to it is safeguarded, properly accounted for, and used economically, efficiently and effectively. In order to discharge this responsibility, they must put in place proper arrangements for the governance, including arrangements 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 Chief Constable and Police & Crime Commissioner have established a Corporate Governance Framework that includes the Code of Corporate Governance. The code is consistent of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (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 Governance sets out the principles of good governance and describes the arrangements that the Chief Constable and Police & Crime Commissioner 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

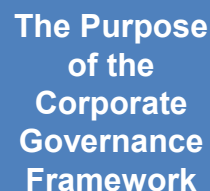
D. Determining the interventions necessary to optimise the achievement of the intended outcomes

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

A copy of the Code of Corporate Governance is available on the Police & Crime Commissioners website at www.devonandcornwall-pcc.gov.uk or can be obtained from the Head of Audit, Insurance and Risk, Dorset Police, Force Headquarters, Winfrith, Dorchester, Dorset DT2 8DZ.



The Code of Corporate Governance applicable to the year ended 31 March 2021 and up to the date of approval of the annual accounts is available.

Key Elements of the Governance Framework

The Chief Constable and the PCC are two separate legal entities. Whilst they have separate statutory responsibilities within their own organisations, they also work together within the legal framework to ensure that Devon and Cornwall 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 designed to facilitate the delivery of the Police & Crime Plan. The structures, processes, risk management and other internal control systems form part of that framework.

The Chief Constable and the PCC are responsible for putting in place proper arrangements for the governance of activities and the management of resources. This task is managed by their Strategic Management Teams. For the OPCC this comprises of the Section 151 Officer (the Treasurer) and the Chief Executive, who is also the Monitoring Officer. For the Force this comprises their Section 151 Officer (Director of Finance and Resources) and Chief Operating Officer who is the Deputy Chief Constable. Representatives from the Executive Teams are members of the Joint Leadership Board and Resources Board, as part of the formal shared governance arrangements. Governance arrangements are regularly reviewed by the Independent Audit Committee. The Corporate Governance Framework sets out the controls in full.

The financial management arrangements for the Chief Constable and the PCC are compliant with the governance requirements set out in the [CIPFA Statement of the Role of the Chief Financial Officer in Local Government \(2015\)](#) as set out in the CIPFA SOLACE Delivering Good Governance in Local Government: Framework (2016 Edition). The Chief Finance Officer (CFO) of the Office of the Police and Crime Commissioner and the CFO of the Chief Constable carry out their duties with due regard to the principles set out in the CIPFA Role of CFO's in Policing (March 2021).

The Chief Constable and the PCC have responsibility for conducting an annual review on the effectiveness of its Corporate Governance Framework, including the system of internal control. This review is informed by:

- The annual internal audit programme.
- The external audit opinion on financial management.
- The Independent Audit Committee, who review elements of the governance framework and the system of internal control.
- The work of the Audit, Insurance and Strategic Risk Management department.
- The opinion of Her Majesty's Inspectorate of Constabulary, Fire and Rescue Service (HMICFRS) which graded Devon & Cornwall Police as "good".

THE ANNUAL GOVERNANCE STATEMENT

INDEPENDENT AUDIT COMMITTEE

(Challenge the draft AGS and supporting evidence)

THE CHIEF CONSTABLE and POLICE & CRIME COMMISSIONER

(Challenge the draft AGS and supporting evidence. Sign the final AGS)

EXECUTIVE OFFICERS and SENIOR MANAGERS

(Supports robust governance arrangements)

THE TREASURER, CHIEF FINANCE OFFICER, and SECTION 151 OFFICER

(Supports effective financial management)

THE CHIEF EXECUTIVE & MONITORING OFFICER

(Supports legal & ethical assurance)

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

Police & Crime Panel

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 Plan

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

Annual Equality
Impact
Assessment

Review of Effectiveness

As covered under the “Key Elements of the Governance Framework”, the Chief Constable and PCC have responsibility for conducting an annual review of the effectiveness of the governance framework.

The review is informed by:-

- the work of the Audit, Insurance and Strategic Risk department
- the annual internal audit opinion
- comments made by the independent external auditor provider
- the opinion of Her Majesty’s Inspectorate of Constabulary, Fire and Rescue Service (HMICFRS) which graded Devon & Cornwall Police as “good”
- the Independent Audit Committee who review elements of the framework for effectiveness throughout the year. They also review the system of internal audit.

The review of effectiveness for the year 2020/21 conducted by the Audit, Insurance and Strategic Risk department obtained **substantial** evidence of good governance against each of the seven CIPFA principles. The internal audit providers’ definition of “substantial” assurance is as follows:

The areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively, and risks against the achievement of objectives are well managed.

The internal auditors continued to complete the annual programme of audits throughout the pandemic. They worked flexibly undertaking virtual assessments in line with Covid restrictions. The plan was risk-based and could be changed to cover emergent risks. This included all key financial systems with recommendations for improvement provided to the relevant manager and the Independent Audit Committee.

Based on the assurance work undertaken, the Head of Internal Audit expects to provide an overall ‘**reasonable**’ opinion on the management of the control environment. However, this will be reviewed upon completion of the remaining assurance engagements.

The external auditor delivers 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](#).

During 2020 the government instructed Sir Tony Redmond to complete an independent review of local authority audit and financial reporting. Called the Redmond Review the report also reviewed whether the accounts of the police service, amongst others, could be easily understood by the public. The report identified significant improvements required to simplify financial reporting and the level of assurance provided by external audit.

The external audit opinion on the 2019/20 accounts was significantly delayed by the introduction of Covid restrictions and the ability of the auditors to meet the requirements of the Public Sector Audit Appointment (PSAA) contract. Grant Thornton, the external auditors issued **unqualified** audit opinions on the final accounts on the 8 February 2021. On the same date, **unqualified** conclusions for securing value for money were also issued as well as the audit certificates. The opinion for the 2020/21 accounts is still awaited.

Review of Effectiveness continued

During 2020 internal audit reviewed the contents of Annual Governance Statements for the police and partner agencies in the South West region. This review assessed the sources of assurance and concluded that the Devon & Cornwall statement was compliant to CIPFA standards. The report also identified areas of good practice in Devon and Cornwall.

The Independent Audit Committee challenged financial management and policies on an on-going basis. The Committee also considered the effectiveness of risk management arrangements.

The Committee Chair reviewed issues through regular meetings with the Executive and senior managers. It was agreed that virtual meetings would be undertaken throughout 2020/21 due to the pandemic restrictions.

The members of the Committee worked together, to develop and use 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 roles, all Committee Members regularly reviewed and considered their training requirements.

Throughout the pandemic the Independent Audit Committee has continued to meet virtually. This enabled them to provide continuous independent advice, assurance and recommendations on the adequacy of the governance and risk management frameworks, the internal control environment and financial reports.

The Committee's annual report covering April 2019 to March 2020, included the period from late January 2020 when the first cases of Coronavirus were identified in the UK, with infections and deaths increasing throughout February and March. The Committee has recognised the immense additional demands on policing during this public health emergency with rapid changes being required and delivered.

The Police and Crime Commissioner is a member of the Association of Police and Crime Commissioners (APCC), created to help Commissioners come together to influence change at a national level. The Commissioner has a national role in road safety and modern slavery, as well as being the deputy lead for partnerships.

The Chief Constable is a member of the National Police Chiefs Council (NPCC) which brings forces together to coordinate operations, reform, improve and provide value for money. The Devon and Cornwall Chief Constable is the national policing lead for modern slavery and the national initiative for police cadets and volunteers.

Review of Effectiveness continued

The Police and Crime Panel supports and challenges the PCC. The panel has the power to request reports and call the PCC to attend its meetings.

The panel will:

- review the police and crime plan and annual report
- scrutinise the PCC's proposed council tax precept for policing
- hold confirmation hearings for the PCC's proposed appointment of a Chief Constable and senior support staff
- scrutinise the actions and decisions of the PCC (but not the performance of the police force)
- consider complaints against the PCC of a non-criminal nature

During 2020/21 the Devon & Cornwall panel has:

- Received a regular update report on the activities of the PCC
- Reviewed the Budget and Medium Term Financial Strategy
- Considered the proposed increase in Precept
- Reviewed regular performance reports

In early 2021 an independent assessment of the adequacy of engagement with the public on the precept proposals was undertaken by the independent internal auditors and provided positive assurance on the engagement activities carried out on behalf of the PCC.

The PCC operates a scrutiny framework that informs policy and holds the Chief Constable to account. Scrutiny reviews undertaken by the panels during the year covered the use of Spit guards, Out of Court Disposals and the performance of the 101 service.

Following the introduction of Health Protection (Coronavirus, Restrictions) (England) Regulations 2020 a fast-paced review was completed by an independent scrutiny panel made up of members of the public. This provided confidence and assurance that the new powers, including the issue of fixed penalties, had been delivered fairly, appropriately and proportionally by the Force.

The Ethics Committee, chaired by the Director of Legal Services and Reputational Risk, meets monthly and is designed to provide advice and support to leaders and decision makers on ethical and moral issues.

A principle decision-making forum for operational policing is the Business Board. Meetings have continued to be held virtually every two months and received updates on risk management, progress on business change programmes, financial management and ICT arrangements. Once a quarter the Board is given over to the monitoring and review of Force performance.

Senior managers have completed Force Management Statements across the organisation, that assess and predict future demand. This supports strategic financial planning for long term, sustainable resourcing.

Review of Effectiveness continued

The Joint Leadership Board (JLB) meets twice a month (once in a formal capacity and once on an informal basis) as the primary governance meeting which considers matters including the organisations financial position, performance and strategies, development and implementation. Meetings have continued virtually during the Covid pandemic to support quick and effective financial decision-making.

The Board includes the PCC and Chief Constable and representation from both the Force and OPCC Executives, and provides organisational leadership, sets the strategic direction, monitors the co-ordination required to achieve objectives and holds the Chief Constable to account. JLB are also responsible for financial planning and review the position statements that ensure executive oversight across the portfolio areas.

The Chief Constable and the Commissioner are dedicated to ensuring that resources are utilised in the most effective and efficient manner. The Resources Board meets monthly to ensure oversight of the management and sustainability of resources including land, property, finance, projects and people. The Board receives regular reports on workforce supply, litigation, capital health checks and group financials. The Chief Constable has appointed a specialist post to ensure the organisation remains focused on its compliance to environmental legislation. The PCC and Chief Constable have continued to work closely with the Procurement department to manage issues arising from the country's exit from the European Union. To date there have been no significant issues with the provision of critical supplies.

The Resources Board has supported the achievement of the strategic objectives as recorded in the Annual Report.

These include:

- Operation Uplift – the national programme to increase police officers by 20,000
- Delivery of the new Exeter Police Station
- Investment in the rural crime team

The Force Executive Board meets twice a month, to ensure all areas within Devon and Cornwall Police (operational and support) are co-ordinated to ensure their effective delivery, overall effectiveness and that the best interests of the Public and the Force are being served by holding each other to account.

The OPCC Management Board meets twice a month to ensure the effective delivery of the Police and Crime Plan. This includes a scrutiny function to demonstrate that the PCC is holding the Chief Constable to account.

Following the outbreak of the pandemic a Gold Command structure was put in place to lead the operational response to the Covid restrictions. The force adopted a 4 E's approach to policing that engaged, explained and encouraged the public to abide by the restrictions with enforcement only used as a last resort.

Review of Effectiveness continued

Key projects designed to deliver continuous improvement are managed through a formal change board called the PRISM Board. This Board drives change activity to ensure the delivery of predicted benefits and outcomes through a single, holistic overview of all transformation and change. This also takes into account the regional and national agenda. Financial reports on defined projects are reviewed alongside local, regional and national programme updates which include the assessment of risks and timelines.

The HMICFRS inspection programme was suspended in early March 2020 due to the pandemic, with seconded officers and staff returned to their home Forces to support the local policing response to the pandemic.

While plans are being put in place nationally, policing in England and Wales continues to adapt and respond to the challenges of COVID-19. The proposals for HMICFRS inspections during 2020/21 have been rolled forward into business planning for 2021/22 to reduce unnecessary demand on forces.

Fast-paced contingency plans for the effective delivery of policing in light of the COVID-19 pandemic have been put in place. Operational units, organisational departments and the OPCC have tested business continuity plans designed to support emergency service response and these were immediately activated. A COVID-19 Gold, Silver and Bronze Command structure was created that has provided advice and guidance to all staff and operational officers who have proved adaptable and willing to accept additional responsibilities. Agile and flexible working arrangements have also supported the continuous delivery of effective policing to communities.

The Equality, Diversity and Human Rights Strategic Group monitors activity towards equality objectives, and delivery of public sector equality duty. The Force maintains its focus on addressing equality issues with the details of current initiatives recorded in the force Gender Pay Gap Report 2019, produced in 2020 and published in February 2021. The group aims to create a diverse and inclusive workforce that represents the communities it serves. During 2020/21 group members have continued to work closely with recruitment to achieve the promised increase in Police Officer numbers and will continue to support the national programme for the uplift of Police Officers.

Devon & Cornwall Police decided to use the CIPFA Financial Management Model as a framework for the review of Financial Management. In order to establish a financial management baseline, provide a comparison with other organisations and prioritise financial management improvements.

The CIPFA Financial Management Model has shown that whilst as a force, Devon & Cornwall Police perform well with regard to financial management, there are areas of weakness that need to be improved. The model has helped to clarify these, giving the basis for an improvement plan.

The Financial Management Model review will help improve financial management within the organisation. An action plan has been developed with additional resources made available to embed the necessary changes.

The review highlighted that Alliance departments were less confident that they had the financial support and information needed to manage their departments. Work will continue to increase confidence and communication in this area.

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, and investigate complaints. There is a robust complaints handling process, with significant cases referred to the Independent Office of Police Conduct (IOPC) for independent review. The Whistle Blowing Policy supports the confidential reporting processes and any conflicts of interest are formally managed. New complaints legislation came into Force in February 2020, which changed the way in which all complaints are dealt with and gave new powers for the Commissioner to become the review body in police complaints.

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

The OPCC Chief Executive has responsibilities as the Monitoring Officer for ensuring that the Force and OPCC remain compliant to laws and regulations. They are also responsible for advising the Commissioner on policy, strategy and on the commissioning and delivery of contracted services.

The Force Chief Finance Officer (CFO) and the OPCC Treasurer hold statutory responsibility for ensuring proper financial arrangements are in place. They work with the Chief Executive 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](#)".

Ensuring openness and comprehensive stakeholder engagement

The Force and OPCC websites provide contact details. The websites also contain a range of information including corporate documentation as well as operational advice. The OPCC website retains an independent award for transparency.

There is a statutory duty for the Force and OPCC to consult openly with the public and local stakeholders to reduce crime. There are ten Community Safety Partnerships across Devon, Cornwall and the Isles of Scilly. The probation service, community rehabilitation companies, local authorities, fire and rescue service and health agencies all attend. Likewise there are Youth Offending Teams established in all four upper tier areas with partnership. The Police and Crime Commissioner is the current Chair of the Local Criminal Justice Board which includes statutory partners across criminal justice services as well as community and voluntary sector representatives.

The OPCC commissions victim care services as part of that statutory responsibility. This arrangement includes a network of fifty community and voluntary sector providers, which are actively engaged with the OPCC.

The Police are the current Chair of the Local Resilience Forum for Devon, Cornwall and the Isles of Scilly, where emergency services, local authorities, the NHS and other key responders to major incidences and emergencies are represented.

Public consultation surveys are undertaken to assess community views are captured, to assess victim satisfaction and understand public confidence. This information forms part of the capacity and demand analysis commissioned by the Police and Crime Commissioner.

The PCC conducts extensive public engagement throughout the year. This is achieved through a network of Community Engagement Workers across Devon and Cornwall, online surveys, attendance at public meetings and scheduled "Meet the Police and Crime Commissioner" events.

Force performance is evaluated by the independent HMICFRS, as part of their annual inspection programme. The PEEL inspection issued 7th February 2020 graded Devon and Cornwall Police as "Good", providing value for money within the three key principles of efficiency, effectiveness and legitimacy. The report noted that, since the last inspection, improvements have been made in data recording. The inspectorate use this data to evaluate the best use of resources and Force effectiveness.

Determining the interventions necessary to optimise the achievement of intended outcomes

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

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

Corporate Governance arrangements set out the decision making framework. Details of strategic decisions made are published on the Office of the Police and Crime Commissioner's website.

The annual Force Strategic Assessments evaluate overall Force capacity and capability through demand and performance analysis. This supports the development of sustainable plans that deliver the objectives set out in the Police & Crime Plan.

The Commissioning Intentions Plan details the delivery of the specialist services commissioned by the OPCC. The plan is designed to prevent crime through early intervention and to support victims and vulnerable people. The services are commissioned from partners and specialist providers. Progress on the outcomes are published in the PCC's Annual Report.

Assessments are completed to predict future demand and required resources. Strategic plans for the training of leadership and senior officers are developed, which are supported by sound financial planning and decision making.

The roles of leadership and management have clearly defined responsibilities. Future requirements for skills are matched to the organisation's structures. Training and recruitment plans are developed to get the right management skills in the right place at the right time. Appraisals are undertaken annually at all level of both organisations. This includes setting personal targets and development opportunities.

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

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 respective executives and to the Joint Leadership Board.

Arrangements for fraud and corruption are monitored and assurance reports are provided to the executive.

Devon & Cornwall Police complete the mandatory National Fraud Initiative set by the Home Office. All irregularities are investigated and reported to the Independent Audit Committee. No incidents of fraud or corruption were detected from the matches created from the last data submission in 2018/19.

The Devon & Cornwall OPCC has developed a scrutiny framework designed to inform policy and improve delivery. The Police & Crime Panel scrutinise the Commissioner's decisions and the achievement of the Police & Crime Plan. Their duties include the scrutiny of the proposed council tax precept, any non-criminal complaints against the Commissioner and the appointment of the Chief Constable. In turn the Commissioner evidences robust financial management and the provision of value for money.

The independent internal audit providers give objective scrutiny and assurance on the controls in place that prevent error, fraud or corruption. This service is provided 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.

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

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

The independent external audit providers are responsible for the scrutiny of financial arrangements, that allows them to form an opinion on the provision of "value for money". The auditors then verify the accounts prior to their publication.

The Conclusion and 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 against material misstatement or loss. No significant governance issues have been identified during this year's review. For completeness, the minor issues identified are recorded and will be addressed to ensure continuous improvement.

MINOR ISSUES 2019-20

PRINCIPLE	ISSUE	ACTION
Defining outcomes in terms of sustainable economic, social and environmental benefits.	Delays to the review of the Code of Corporate Governance.	Complete: The Corporate Governance Framework has been revised and agreed by the Chief Constable and PCC.
Implementing good practices in transparency, reporting and audit to deliver effective accountability	That shared decision-making meets the needs of both Forces.	Carried forward: Governance arrangements across both Forces have been reviewed. However the connectivity between boards requires further clarification to ensure transparency of decisions made.

MINOR ISSUES IDENTIFIED 2020-21

PRINCIPLE	ISSUE	ACTION
Implementing good practices in transparency, reporting and audit to deliver effective accountability	That shared decision-making meets the needs of both Forces.	Carried forward: Governance arrangements across both Forces have been reviewed. However the connectivity between boards requires further clarification to ensure transparency of decisions made.
Ensuring openness and comprehensive stakeholder engagement	Non-compliance and reduced assurance if actions from the ICO inspection are not completed to timescale.	An action plan for the improvements identified during the ICO inspection has been created. Progress on completion will be monitored by the Joint Information Board.
Defining outcomes in terms of sustainable economic, social and environmental benefits.	Potential changes to objectives and governance arrangements due to the potential change in Commissioner.	The key dates and timescales for the PCC elections have been published and will be monitored by the OPCC.

Opinion and signature

The Corporate Governance Framework adopted by the Chief Constable and the Police & Crime Commissioner demonstrates all the elements required to support effective governance.
The annual assessment of governance arrangements during 2020-21 has provided an overall assurance opinion of substantial.

**Chief Constable
Shaun Sawyer**

Dated:

**Police & Crime Commissioner
Alison Hernandez**

Dated:

**Director of Finance & Resources
Sandra Goscomb**

Dated:

**OPCC Chief Executive
Frances Hughes**

Dated: