

**ANNUAL GOVERNANCE STATEMENT 2022/2023**

**FOR**

**POLICE AND CRIME COMMISSIONER FOR HAMPSHIRE & THE ISLE OF WIGHT**

# Annual Governance Statement for Police and Crime Commissioner

1. **Scope of Responsibility**
	1. The Police and Crime Commissioner is responsible for ensuring that:
		* business is conducted in accordance with the law and to proper standards.
		* public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
		* they secure continuous improvements in the way in which functions are exercised, having regard to a combination of efficiency, effectiveness and economy.
		* there is a sound system of internal control which facilitates the effective exercise of the Police and Crime Commissioner's functions and which include arrangements for the management of risk.
	2. This statement explains how the Police and Crime Commissioner has complied with its Code of Corporate Governance and meets with the requirements of the Accounts and Audit (England) Regulations in relation to the publication of an Annual Governance Statement.
	3. The vast majority of funding for policing is received from Government Grant and Council Tax and there were no reductions to those amounts in 2022/23; there is no significant reliance on other income.
	4. There were no significant changes required from a governance perspective. The Joint Audit Committee is the only meeting in public convened by the PCC and these are conducted on-line and in person as part of a hybrid approach.
	5. Video conferencing technology has now become integrated into business practice and this has been utilised to complement in person meetings where appropriate, and thus ensure formal decisions have continued to be made.

# The purpose of Corporate Governance

* 1. The governance framework comprises the systems, processes, cultures and values by which the Office of the Police and Crime Commissioner is directed and controlled, as well as its activities through which it accounts to, engages with and leads within the community. It enables the Police and Crime Commissioner to monitor the achievements of the Police and Crime Plan and to consider whether they have led to the delivery of appropriate, cost effective services.
	2. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risk to the achievement of the Police and Crime Commissioner’s policies aims and objectives, to evaluate the likelihood of those risks being realised, the impact should they be realised, and to manage them efficiently, effectively and economically.
	3. Ongoing review of these controls has initiated a review of the risk framework which will continue through this financial year, with an internal audit checkpoint in Q2. A significant focus of improvement is the joint understanding of interdependent risk with Hampshire and Isle of Wight Constabulary.
	4. The previous governance framework has been in place for the year ending 31 March 2023 and up to date of approval of the statement of accounts.
	5. The Police and Crime Commissioner has approved and adopted a Scheme of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework ‘Delivering Good Governance in Local

Government’. Agendas and minutes of the Joint Audit Committee are published on the website of the PCC.

* 1. The CIPFA/SOLACE framework identifies seven principles of good governance:
		+ Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
		+ Ensuring openness and comprehensive stakeholder engagement
		+ Defining outcomes in terms of sustainable economic, social and environmental benefits
		+ Determining the interventions necessary to optimise the achievement of the intended outcomes
		+ Developing the entity’s capacity, including the capability of its leadership and the individuals within it
		+ Managing risks and performance through robust internal control and strong public financial management
		+ Implementing good practices in transparency, reporting and audit to deliver effective accountability.
	2. The first two principles underpin the whole 2016 framework and are implicit in the remaining five principles.

# Core Principles of good governance

* 1. **Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**
		1. The Office of the Police and Crime Commissioner operates in an open and transparent way and the Police and Crime Commissioner sets the tone for the organisation by creating a climate and culture of openness, support, and respect. This is reinforced through the new organisational values that have been developed through staff engagement sessions at all levels.
		2. The Police and Crime Commissioner is committed to the highest ethical standards and has adopted a governance framework to reinforce this philosophy as well as procedures to investigate any issues should the need arise. The framework, policies and procedures are set out in the Police and Crime Commissioner’s Scheme of Corporate Governance. The Scheme of Corporate Governance demonstrates a comprehensive commitment on the part of the Police and Crime Commissioner to integrity, ethical values and the rule of law.
		3. The key governance legal powers and responsibilities within the Office of the Police and Crime Commissioner are set out in legislation and statutory guidance, especially the Police Reform and Social Responsibility Act 2011, Policing Protocol Order 2011, Revised Financial Management Code of Practice 2018 and Strategic Policing Requirement), the Scheme of Delegation and Consent, Financial Regulations and Contract Standing Orders. These are referenced in the Scheme of Corporate Governance and are constantly reviewed to ensure they are translated into delivery. The Scheme of Delegation is one such example that is under review.
		4. A new Chief Executive was appointed in October 2021. To support them in the role of Monitoring Officer (MO), they have continued with the appointment of a legally qualified Deputy MO, an external appointment whose host employer is Hampshire County Council. The Deputy MO provides valuable additional oversight for the Chief Executive and the Police and Crime Commissioner on the Governance Framework.

# Ensuring openness and comprehensive stakeholder engagement.

* + 1. The Police and Crime Commissioner is required by law to produce a Police and Crime Plan. The Plan sets out the Police and Crime Commissioner’s

Vision, Priorities and Mission, the clear strategic aims of which are communicated on the Police and Crime Commissioner’s website and through various communications. This provides an operating model for business planning. Following the election in May 2021, a new Police and Crime Plan was published in November 2021.

* + 1. An implementation plan has been established and is managed through programme and project management to ensure every element of the Police and Crime Plan is tracked, monitored and delivered.
		2. Risks and issues are managed through project leads within the OPCC and escalated through Senior Responsible Owners (SRO’s) to executive-level governance within the Implementation Board | Oversight and Scrutiny (IBOS). This ensures programme and project risk factors are considered, recorded and, where required, addressed.
		3. The implementation plan also captures and discharges the associated PCC’s statutory responsibilities within the Police Reform and Social Responsibility Act 2011 (oversight & scrutiny – ‘holding to account’ arrangements). This enables delivery on the priorities of the Police and Crime Plan and ensures alignment with the strategic direction of the OPCC.
		4. The Police and Crime Commissioner has a clear governance framework for corporate decision making. The Police and Crime Commissioner’s decisions have clear guidance and protocols on decision making and templates for decision reports. All decisions are published, albeit that consideration is given to redacting some elements where this is necessary and proportionate.
		5. Public consultation is undertaken on an ongoing basis to inform decision making. Targeted consultation takes place for specific decisions such as the public consultation on the council tax precept. The Police and Crime Commissioner attends both formal public meetings and community events to inform and consult the public.
		6. The Police and Crime Commissioner is scrutinised by the Police and Crime Panel which consists of members from local authorities and independent members who also consult their local communities and offer feedback to the Police and Crime Commissioner. Other consultation is undertaken such as via the Joint Audit Committee and specific focus groups facilitated by the Police and Crime Commissioner’s staff. This was demonstrated in the public survey and consultation for the 2023/24 precept and budget review. The survey was both efficient and effective in reaching a return of over double that of previous years. Public views and comments were captured for crimes and incidents that are of most concern to residents and businesses within Hampshire and the Isle of Wight. This is used as supporting evidence for the PCC’s approach and decision making for future activity.
		7. Openness is directly linked to accessibility and, in response to a Government Digital Service report, significant work was undertaken in improving access to our public digital content and compliance with the Accessibility Regulations 2018. This is under constant review.

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

3.3.1 The strategic aims set out in the Police and Crime Plan underpin the Police and Crime Commissioner’s overarching ambitions for delivering positive economic, social and environmental outcomes for Hampshire and the Isle of Wight. Delivery of the Plan is monitored internally within the Office of the Police and Crime Commissioner and also through the scrutinising function of the Police and Crime Panel. Ultimately, the Police and Crime Commissioner is held to account by the electorate.

3.3.2 The Police and Crime Commissioner is currently reviewing the Police Estates Strategy and, specifically, economic sustainability and social and environmental benefits are at the forefront of that work.

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

* + 1. Clear guidance and protocols exist for decision making and the involvement of the Deputy Monitoring Officer and the CFO ensures that decisions are made after relevant options have been weighed and associated risks assessed from a legal and financial perspective. Details of the guidance and protocols are set out in the Scheme of Corporate Governance.
		2. The budget setting process is well established. The budget is set by the Police and Crime Commissioner after proposals on the council tax precept are consulted upon with the public and scrutinised by the Police and Crime Panel. The budget is set in the context of achieving the Police and Crime Plan. Consultation for the 2023/24 precept and budget review took place, and crimes and incidents that are of most concern to residents and businesses within Hampshire and the Isle of Wight were captured and formed part of the Police and Crime Panel scrutiny.
		3. A medium term financial strategy, capital programme and reserves strategy are updated each year together with relevant resource forecasts. This takes full account of the changing regulatory, environmental, demographic, economic and demand factors that impact on the financial environment in which the Police and Crime Commissioner operates.
		4. Risks associated with the achievement of intended outcomes are detailed in risk registers held at strategic and project levels. These evaluate the effectiveness of existing control measures as well as identifying proposed mitigation. Police and Crime Plan risks and issues are tracked, monitored and controlled through the project leads within the OPCC. Where appropriate, these are escalated through Senior Responsible Owners (SRO’s) to executive-level governance within the Implementation Board | Oversight and Scrutiny (IBOS). This ensures programme and project risk factors are considered, recorded and, where required, addressed.

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

* + 1. The Police and Crime Commissioner places a significant value on the capability of leadership. Each individual has regular 1:1 meetings with their line manager and a new Personal & Development Review (PDR) process will be launched Q1 – Q2 in support of this. Supportive leadership in the OPCC promotes performance and talent management linked to organisational values and objectives.
		2. The Chief Executive regularly reviews the structure of the workforce against the needs of the service in the context of its capacity and capability requirements. This then informs a range of strategies, for example; recruitment, retention and people development, in order to provide effective leadership and deploy appropriate resources to meet the needs of services.
		3. The Chief Executive commenced consultation on a significant organisational redesign to deliver the outcomes within the Police and Crime Plan. This new structure was launched in June 2022 and is now operational within the business. It remains under constant review as per 3.5.2.
		4. Implicit within the new structure is an emphasis on the need for high performance, of which resilience and continuing professional development play key parts; both feature in the regular discussions between managers and staff. This is linked to how support is identified and delivered and a training needs analysis, commissioned in Q3 2022/23, will provide part of that package to staff.
		5. As part of assessing overall capacity, and linked to ensuring clear accountabilities and managing strategic risk, the OPCC (working alongside the Constabulary) have reviewed the existing shared service arrangements in place with Hampshire County Council and Hampshire and Isle of Wight Fire and Rescue Service; the partnership currently provides a range of both non-transactional and transactional Finance, Human Resources and Property services to both the OPCC and the Constabulary.
		6. The review has concluded that there would be a benefit to bringing back in house the non-transactional elements of the above services, whilst retaining the current transactional services within the partnership. Notice has now been given to Hampshire County Council as the host employer that non-transactional Finance, Human Resources and Property services will be brought in house, and a timeline is under discussion which will see these services transfer back to the OPCC during 2023/24.

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

* + 1. The Police and Crime Commissioner operates a robust Risk Management Strategy, with reports into the Joint Audit Committee. The Joint Audit Committee has provided guidance and advice for the enhancement of the risk management arrangements which, as previously commented on, has led to a wider risk framework review.
		2. Risks jointly held with TVP through collaborations are reviewed and monitored by the PCC and Chief Constable at the Joint Collaboration Governance Board, and are also reviewed at the Deputy Chief Constable Collaboration Board. The Chief Executive is also present at these meetings.
		3. The Internal Audit Plan provides the mechanism through which the Chief Executive, CFO and PCC agree, in consultation with the Chief Internal Auditor, the most appropriate use of internal audit resources.
		4. The Internal Audit Plan was developed to operate at a strategic level providing a value adding and proportionate level of assurance aligned to the Police and Crime Commissioner’s key risks and objectives. This includes a periodic review of the Police and Crime Commissioner’s risk management processes.
		5. The Audit Plan remains fluid to ensure Internal Audit’s ability to react to the changing needs of the Police and Crime Commissioner.
		6. The Internal Audit plan incorporates provision for both proactive and reactive counter fraud and corruption work, which is underpinned by an embedded Counter Fraud & Corruption Strategy and Policy and Anti Bribery Act Policy.
		7. The delivery of the Internal Audit plan enables the Chief Internal Auditor to provide an annual report providing an opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control which is reported to the Joint Audit Committee and Police and Crime Commissioner.
		8. Specifically for IT and Information Management, which is provided in collaboration with and by Thames Valley Police (TVP), the Joint Audit Committee has access to and receives regular audit reports from the TVP Internal Audit team, as well as an annual internal audit opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control. The JAC is also sighted on the proposed annual IT audit plan.
		9. The outcomes and assurance levels provided by TVP on individual audits, together with the annual opinion, are taken into account by the Chief Internal Auditor in providing the opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control.
		10. The Joint Audit Committee is well established and provides independent advice to the Police and Crime Commissioner and Chief Constable. Members of the Joint Audit Committee have no executive responsibility for the management of the organisation, thus ensuring that they are sufficiently independent to scrutinise and challenge matters brought to their attention. This year, they have been provided with an enhanced allowance and training budget, enabling them to attend internal meetings of both the Constabulary and the OPCC to observe decision making processes in action.
		11. The Joint Audit Committee has clear and agreed ‘Terms of Reference’ providing an effective source of scrutiny, challenge and assurance regarding the arrangements for managing risk and maintaining an effective control environment. During the previous year, the PCC and Chief Constable agreed to vary the Terms of Reference specifically in relation to the tenure of the Joint Audit Committee chair in order to support the continuity of the committee where it was considered to be in the interests of good governance to do so. This has proved to be very effective but, to remain current, the successful recruitment of two new members took place in Q4. The Terms of Reference will continue to be regularly reviewed to ensure they remain effective.
		12. The Police and Crime Panel publicly hold the Commissioner to account for performance and formally provide a role in scrutinising and commenting upon the Commissioner’s precept proposals, including a power to veto the proposed precept.
		13. A key part of the Commissioner’s role is to hold the Chief Constable to account for both operational performance and financial management; the Commissioner ensures that this was achieved both in public via the regular Commissioner’s Oversight of Policing Services (COPS) meetings, a forum in which the Commissioner publicly holds the Chief Constable to account on particular issues raised by the public. In addition, the Commissioner meets regularly in private with the Chief Constable to discuss performance.
		14. An OPCC Oversight, Performance and Scrutiny (OPS) framework has been developed and built on existing arrangements for holding to account. This includes Policing Protocol 2011 legal responsibilities and is aligned to the Association of Police and Crime Commissioners (APCC) tool kit(s) and good practice.
		15. The risk of cyber-attack continues to grow across the public sector and in UK Policing. This is not just from criminal organisations but also state actors. The OPCC IT platform is provided by and shared with the Constabulary in collaboration with TVP. In response, during 2022/23 they have implemented a Cyber Threat & Response Management Board to provide a comprehensive bilateral response to our cyber threat & response position ensuring agreed and appropriate solutions and remediation plans are in place and actively progressing, additionally informing the Force(s) and OPCC Executive of strategic outcomes and ensuring learning activities are cascaded to respective departments.
		16. The Police and Crime Commissioner has strong financial management arrangements at both the strategic and operational levels, and consistently obtains unqualified opinions for its annual accounts and value for money assessment. The Section 151 Officer is a member of the OPCC Executive Leadership Team and all formal financial decision making has the benefit of the advice and review of the Chief Financial Officer or their representative.
		17. Key financial regulations and financial strategies form an important part of the Corporate Governance Framework together with effective risk based financial and performance reporting.
		18. Financial management in key risk areas across the Police and Crime Commissioner focusses on activity and performance management alongside the budget management processes and the financial management framework is appropriately advised and supported by the Finance function.

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

* + 1. The decision making guidance, protocols and templates referred to in the Scheme of Corporate Governance and the involvement of senior officers, legal officers and finance officers ensures that public reports are written in a clear and accessible way with sufficient information to enable members of the public to formulate informed opinions on the matters for decision. This has been strengthened through the earlier referenced Accessibility Regulations work.
		2. The delivery framework provides a transparent cycle of reporting on core performance metrics. Performance information is published online and is easily accessible to staff, partners and the public.
		3. The ‘Internal Audit Charter’ is presented annually for approval by the Joint Audit Committee. The Charter makes provision that where it is considered necessary to the proper discharge of the Internal Audit function, the Chief Internal Auditor has direct access to the Joint Audit Committee.
		4. The ongoing work of internal audit is presented through a quarterly progress report to the Joint Audit Committee providing an overview of service performance; delivery against the plan; and progress made by the organisation in the implementation of management actions agreed to mitigate risks identified through internal audit work.
		5. Representatives of External Audit routinely attend Joint Audit Committee meetings and present all External Audit reports. Any recommendations for corrective action detailed within External Audit reports are highlighted to the Joint Audit Committee who will track through to implementation. This is achieved through the clear and concise nature of the minutes to each meeting coupled with the inclusion of any overdue recommendations within the internal audit progress report.
		6. The Internal Audit plan includes provision to review the Police and Crime Commissioner’s approach to governance, risk and controls for partnership working. Such reviews are formally reported through the Joint Audit Committee with any significant issues highlighted accordingly.
		7. Where appropriate, Internal Audit will gain assurances from third parties to contribute to their overall assurance opinion.

# Obtain assurances on the effectiveness of key controls

* 1. Key controls relating to risks, internal control (including financial management), and governance processes have been identified for review and an Enterprise Risk Management approach adopted. This work, shared and supported by the JAC, will reaffirm a 3 lines model approach to risk management. By taking a holistic approach, managers will be supported by risk professionals in the identification, management and recording of risk. This will ensure a top down and bottom up view that will provide a shared understanding of risk, consolidated into the strategic risk register at a corporate level. In consideration of JAC advice and the internally initiated risk review, a working group has been set up to better represent joint and interdependent risk across both the OPCC and the Constabulary.
	2. Internal Audit, as part of its planned review of internal controls, regularly evaluates the key controls to determine their adequacy and also carries out tests to confirm the level of compliance. Together the results of each review enable an audit opinion on effectiveness to be provided to management, and any actions for improvement to be agreed.
	3. External sources of assurance include the annual opinion and value for money conclusion by external auditors, any statutory inspections, and other external assessments, e.g. by the Information Commissioners Office. These reports are subject to consideration by senior management and appropriate responses are agreed to any recommendations for improvements. The reports are normally approved in public and published.
	4. In conjunction with specialist Internal Audit support, the Police and Crime Commissioner has also applied the CIPFA Counter Fraud self-assessment tool to identify potential opportunities for enhancement.
	5. The CFO reviewed compliance with the CIPFA Financial Management Code, which was required to be adopted formally from 2021/22. The FM Code is a self-assessment of financial management within an organisation. The CFO documented compliance with the Code and self-assessed the OPCC as being fully compliant with its requirements. Compliance was subsequently reviewed, tested and confirmed through an Internal Audit review, with an audit assurance rating of ‘Substantial’.

# Evaluate assurances and identify gaps in control/assurance

* 1. The Police and Crime Commissioner has made adequate arrangements to identify, receive and evaluate reports from the defined internal and external assurance providers to identify weaknesses in controls.
	2. The Police and Crime Commissioner has included within the 2023/24 internal audit plan (current as of April 2023) an audit to review the effectiveness of controls in place designed to mitigate risk(s) in the achievement of the following key objectives:
* appropriate governance is in place to ensure existing and emerging statutory and general responsibilities of the PCC are identified and expectations for meeting them are clearly outlined
* governance framework provides oversight and processes to ensure that duties have been met and can be substantiated
* management reporting on the activity and progress provides assurance that statutory and general duties are being carried out in line with requirements.

The scope of the audit is to focus on the governance in place for the identification of existing and emerging statutory and general responsibilities.

This will include a review of the framework and regular reporting that is in place for providing oversight of the duties being carried out. This will seek to provide sufficient assurance that the PCC duties are being met.

* 1. Each team within the Office of the Police and Crime Commissioner is developing a better understanding of operational risk to support the existing development of strategic risk. The new framework has been identified and will develop over Q1 and Q2 as previously mentioned. The Internal Audit plan and reports have assisted the review and development of an improved framework which will improve identification and decision making.
	2. The Police and Crime Commissioner has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the officers within the Office of the Police and Crime Commissioner who have responsibility for the development and maintenance of the governance environment, the Chief Internal Auditor’s annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
	3. In providing the annual report, the Chief Internal Auditor takes account of the reports from the internal and external assurance providers which have also been reported to the Joint Audit Committee. This Annual Governance Statement sets out the Police and Crime Commissioner’s arrangements for receiving reports and identifying weaknesses in internal control.
	4. In line with the Internal Audit Charter, the key elements of the corporate governance framework are risk assessed and reviewed periodically by Internal Audit.

# Action plan to address weaknesses and/or ensure continuous improvement of the system of corporate governance

* 1. As set out in paragraphs 3.5.5 and 3.5.6, the OPCC, along with Hampshire & Isle of Wight Constabulary, has given formal notice to Hampshire County Council that it will depart Shared Services arrangements for the provision of non-transactional services relating to Finance, Human Resources and Property Management. Arrangements for off-boarding and on-boarding of staff and the development of new services continue to be considered by the ‘4 Chiefs Governance Board’. Transactional services for Finance and HR will remain in place through the Shared Services Integrated Business Centre.
	2. Launch of the new Performance and Development Review (PDR) process and accompanying management governance systems.
	3. Review the training needs analysis and to agree the resultant risk-based approach to training, continuing professional development and discharge of statutory functions.
	4. Adoption of the joint risk management approach by both Hampshire & Isle of Wight Constabulary and the Office of the Police and Crime Commissioner, as well as the delivery of accompanying training for relevant staff and managers.
	5. Implementation of improved mechanisms to better interpret and present risk data to the Joint Audit Committee.
	6. Continue to review and develop the OPCC’s approach to organisational learning.
	7. Undertake internal audit and review of organisational health and safety procedures, estates responsibilities and specified information order compliance, and to implement subsequent improvements as required.

# In response to the Action Plan identified in the 2021/22 Annual Governance Statement:

* 1. **Annual skills audit** - following organisational restructure, the new Head of Business has implemented a new annual skills audit to underpin the OPCC Annual Training & CPD Plan. The results of a training needs analysis in Q3 are being used to inform training prioritisation through a learning and professional development strategy. This supports last year’s action 6.1 with a framework and the forum to focus on what the OPCC and our staff need most. This will include core mandatory requirements, specialist training and CPD for all staff. This will support the development of values and a new PDR process that promotes a culture of openness, support and respect. Leadership and management training is also being prioritised as part of the plan to ensure the right level of preparedness at all levels.
	2. **Review governance arrangements** - the new organisational structure is now operational and the Chief Executive has commenced the review of governance arrangements and terms of reference for the Executive Leadership Team (ELT) and Senior Leadership Team (SLT). Reporting into the ELT, reviews of the Scheme of Delegation & Consent and all organisational policies are, as previously mentioned, also under review.
	3. **Finalise Police and Crime Plan Implementation Plan** - the Police and Crime Plan 2021-2024 continues to be implemented to establish the Commissioner’s ambitions for delivering positive outcomes.
* An implementation plan has now been established and is managed through programme and project management to ensure every element of the Police and Crime Plan is tracked, monitored and delivered.
* Risks and issues are managed through project leads within the OPCC and escalated through Senior Responsible Owners (SRO’s) to executive-level governance within the Implementation Board | Oversight and Scrutiny (IBOS). This ensures programme and project risk factors are considered, recorded and, where required, addressed.
* The Implementation Plan also captures and discharges the associated PCC’s statutory responsibilities within the Police Reform and Social Responsibility Act 2011 (oversight & scrutiny – ‘holding to account’ arrangements). This enables delivery on the priorities of the Police and Crime Plan and ensures alignment with the strategic direction of the OPCC.
	1. **Review the organisational approach to risk management** - as previously mentioned, the approach to risk has been reviewed and is being improved in response to action 6.4 from the previous annual governance statement. This approach links to industry best practice and is already developing a better understanding of the risk picture at all levels, as well as joint risk with Hampshire and Isle of Wight Constabulary. Mechanisms to better interpret and present risk data to the JAC are being progressed with planned implementation through Q2. This action links to action plan points 6.4 and 6.5 for 2023/2024.
	2. **Review the approach to Performance and Development Reviews** - the development of a meaningful framework of performance and talent management is already in progress. A simple but effective process that focusses on quarterly reviews and regular conversations linked to personal and organisational objectives is in development with proposed workshop support. A governance process is being developed alongside to ensure completion and to support line mangers in its application.
	3. **Formally document new Risk Based Oversight & Scrutiny Programme** - the OPCC Oversight, Performance and Scrutiny (OPS) framework has been Implemented and built on existing arrangements for holding to account. This includes The Policing Protocol 2011 legal responsibilities to:
* scrutinise, support and challenge the overall performance of the Force including against the priorities agreed within the Police and Crime Plan
* hold the Chief Constable (CC) to account for the performance of the Force’s officers and staff
* maintain an efficient and effective police force for the area
* hold the CC to account for the exercise of the functions of the office of CC and the functions of the persons under the direction and control of the CC

The OPS framework advocates four principles for effective ‘holding to account’ arrangements:

* provides a constructive “critical friend” challenge
* amplifies the voices and concerns of the public
* led by independent people who take responsibility for their role
* drives improvement in public services
	1. **Roll out a new model of budget accountability** - the Chief Finance Officer has rolled out budget management training to enhance financial control and accountability, and to deliver the budget accountability model
	2. **Review any legacy impact of COVID** - our position post-COVID19 has been reviewed and is deemed stable with no foreseeable strategic risks to our business; however, we will continue to review any legacy impact or new and emerging impact, and take action as necessary to address any issues deemed to impact on our business.

# Declaration

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Joint Audit Committee and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are set out in this Statement.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: Signed:

Chief Finance Officer Chief Executive

Date: Date:

Signed:

Police and Crime Commissioner Date: