



---

## **West Midlands Police Annual Governance Statement**

Position as at 31<sup>st</sup> March 2017 including plans for the financial year 2017/18.

### **1. Scope of Responsibilities**

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

In discharging this overall responsibility, the Chief Constable is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk.

The Chief Constable has adopted a Code of Corporate Governance, consistent with the principles of the CIPFA/SOLACE 2016 updated framework: *Delivering Good Governance in Local Government*, a copy of which is on our website at [www.west-midlands.police.uk](http://www.west-midlands.police.uk) or can be obtained by contacting us, details at [www.west-midlands.police.uk/contact-us/index.aspx](http://www.west-midlands.police.uk/contact-us/index.aspx). This statement explains how the Chief Constable has complied with the code and also meets the requirements of the Accounts and Audit Regulations 2015, regulation 6(1), which requires all relevant bodies to prepare an annual governance statement.

### **2. The Purpose of the Governance Framework**

The governance framework comprises the systems and processes, and culture and values by which the Chief Constable directs and controls activities through which it accounts and engages with the community. It enables the Chief Constable to monitor the achievement of strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services, including achieving value for money.

The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Chief Constable's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

The governance framework has been in place for the Chief Constable for the year ended 31<sup>st</sup> March 2017 and up to the date of approval of the annual report and statement of accounts.



---

### 3. The Governance Framework

The Chief Constable is responsible for operational policing matters, the direction and control of police personnel, and for putting in place proper arrangements for the governance of the Force. The Chief Constable is held to account for the exercise of those functions and those of the persons under his direction and control, by the Police and Crime Commissioner (Commissioner).

It therefore follows that the Commissioner must satisfy himself that the Force has appropriate mechanisms in place for the maintenance of good governance. For these to operate in practice, the Commissioner and the Chief Constable, as separate corporations sole have separate but complimentary governance structures. These facilitate the achievement of effective governance arrangements, including the monitoring and assessment of performance in line with statutory responsibilities.

The Chief Constable has adopted a number of systems and processes which together with the working relationships with the Commissioner comprise the Chief Constable's governance arrangements, the key elements of which are detailed below:

- The Chief Constable's Vision and Values have been reviewed and reset and the WMP2020 transformational programme incorporates key themes and foundations as to how the Force will deliver its objectives with communities and partners.
- The West Midlands Police and Crime Plan 2016 – 2020 identifies and communicates plans and intended outcomes for citizens and service users.
- The development of a West Midlands Police Force Ambition Plan 2016 – 18.
- The implementation of a revised governance framework in May 2017 that will ensure the Force continues to operate effectively.
- Measuring the quality of service, to ensure they are delivered in accordance with the Chief Constable's objectives and represent the best use of resources and value for money.
- Procedure rules, policies and internal management processes are established for Financial Management, Procurement, Health and Safety, Confidential Reporting ("Whistleblowing"), Complaints Handling, Anti-Fraud, Bribery and Corruption, Business Interests, Gifts and Hospitality and Information Security, Information Sharing and Data Protection.
- The Code of Ethics outlines principles and standards of behaviour that sets and defines exemplary standards expected of everyone who works in policing.
- The Standards of Professional Behaviour reflects the expectations that the police service and the public have of how police staff should behave.
- The Joint Scheme of Corporate Governance sets out in detail the respective roles and functions of the Commissioner and Chief Constable, outlining all significant decisions which are consented or delegated and which are of a statutory, financial or management nature.
- A Joint Audit Committee (with the PCC) is responsible for independent assurance on the adequacy of the risk management framework and the associated control environment, the independent scrutiny of the Chief Constable's and the PCC's financial performance to the extent that it affects the Chief Constable and PCC's exposure to risk and weakens the control environment. The Joint Audit Committee has an independent Chair, as identified by the Home Office's Code of Practice for Financial Management and CIPFA's Audit Committee – Practical Guidance for Local Authorities. An independent member is also a member of the Joint Audit Committee.



- 
- The Force has an Organisational Risk Management Policy and Risk Register, prepared and reviewed by senior management. The Joint Audit Committee is responsible for independent assurance on the adequacy of the risk management framework.
  - All major change and transformation programmes and projects have their own project boards which includes addressing risk management and mitigation.
  - Ensuring the Chief Constable's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Financial Officer of the Chief Constable (2012) and, where they do not, explain why and how they deliver the same impact.
  - Ensuring the Chief Constable's assurance arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010) and, where they do not, explain why they deliver the same impact.
  - An External Audit function reports to "those charged with governance" in respect of the Annual Accounts.
  - Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.
  - Identifying the development needs of senior officers in relation to their strategic roles, supported by appropriate training.
  - Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
  - Complying with requirements in relation to transparency and Freedom of Information.
  - Incorporating good governance arrangements in respect of partnerships and other joint working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the Chief Constable's overall governance arrangements.

#### **4. Review of Effectiveness**

The Chief Constable has responsibility for conducting, at least annually, a review of the effectiveness of the governance framework. .

The review of effectiveness is informed by the work of the executive team within West Midlands Police, who have responsibility for the development and maintenance of the governance environment, the Internal Audit Managers Annual report, and also by comments made by the External auditors and other review agencies and inspectorates.

In maintaining and reviewing the effectiveness of the governance arrangements, the following roles are undertaken:

- **The Force**

The Chief Constable operates a system of strongly controlled arrangements for the delivery of operational policing in its communities, together with management and monitoring arrangements for:

- Performance management and associated reporting;
- Financial management;
- Standards of data quality that underpin key reporting requirements;
- The professional standards of police officers and staff in the Force;
- Programme and project management.



---

These functions are organised within clear reporting structures in the Force, designed to provide the Chief Constable and the Executive Team with assurances as to the effective delivery of operational policing and the Commissioner's Policing and Crime plan.

The Chief Constable has continued with significant organisational changes during 2016/17 that have been necessary to release further savings required to meet the reduced funding allocations. Throughout these changes the framework of controls has been maintained and they will continue to be reviewed as part of the on-going change process of the force.

- **The Joint Audit Committee**

The Commissioner and Chief Constable have established a Joint Audit Committee to be responsible, on behalf of both Corporations Sole, to:

- Advise the Commissioner and the Chief Constable according to good governance principles;
- Provide independent assurance on the adequacy and effectiveness of the Commissioner's and Chief Constable's internal control environment and risk management framework;
- Oversee the effectiveness of the framework in place for ensuring compliance with statutory requirements and in particular those in respect of health and safety and equalities and diversity;
- Independently scrutinise financial and non-financial performance to the extent that it affects the Commissioner's and Chief Constable's exposure to risks and weakens the internal control environment;
- Oversee the financial reporting process.

- **Internal Audit**

The system of Internal Audit is a primary tenet of corporate governance and is the responsibility of the Commissioner. The provision and maintenance of an effective shared Internal Audit service for the PCC and CC has been delegated to the PCC's Chief Finance Officer. The Audit Committee oversees the provision of this service, reviewing associated plans and work outputs. The standards of Internal Audit are assessed against Public Sector Internal Audit Standards and the results of this have been presented to the Joint Audit Committee in 2016/17. An external assessment of Internal Audit against the PIAS standards will be undertaken in 2017/18.

## **5. Significant Governance Issues**

The development and embedding of governance arrangements and the working relationships between Commissioner and the Chief Constable continue to be a priority.

During 2016/17 the Commissioner has continued with the governance and scrutiny arrangements for holding the Chief Constable to account, this is through the Strategic Policing and Crime Board and other methods. These arrangements will be kept under review to ensure it continues to provide effective scrutiny and challenge for the Force.

Work will also continue into 2017/18 to ensure the scheme of governance is effective. This will include making sure the scheme provides the required levels of transparency for both the Commissioner and the Chief Constable. This relates to the operational and financial control of the two corporations, the decision making processes and compliance with the necessary publication requirements of this governance structure to meet the provisions of the Statutory



---

Information Order. In addition, the Chief Constable will undertake activities to deliver against the Police and Crime Plan.

During 2016/17 the Force has successfully met the challenges of:

- Maintaining and improving service levels despite experiencing the most significant reduction in Government funding levels for any metropolitan police force in the country during the period of the current Comprehensive Spending Review;
- Receiving positive reports from Her Majesty's Inspectorate of Constabularies (HMIC) covering a wide range of operational and management areas;
- Continuing to implement the organisational change programme, WMP 2020, which includes making preparations to deliver and implement fundamental changes in the way services are delivered to the public;
- Continuing with the development and implementation of new Governance arrangements.

During 2016 the Chief Constable launched his vision and values for the Force. In 2017/18 the Force will continue to deliver against this vision and continue the implementation of the WMP2020 programme with Accenture the Innovation and Integration Partner (IIP) who was appointed in July 2014. The partnership will design and deliver a programme of change for the Force that will address financial and service delivery challenges over the medium term. This will be delivered through a revised Target Operating Model (TOM) that has been agreed with the Commissioner.

The operational governance of the Force will remain unchanged and exercised through the Executive Team. Operating alongside this is the WMP2020 programme that has its own governance arrangements to enable the programme to be delivered effectively. This includes performance and financial monitoring covering the Force and the IIP. These governance structures will continue to operate during 2017/18.

The scale of change facing the Chief Constable remains extremely challenging, at a time when the demand and need for sustained and improved service to the public continues to increase and funding continues to reduce. This will require firm leadership, careful management, innovation and robust scrutiny. We will continue to monitor and update plans, policies and risk documentation as more information becomes available.

## **6. Governance Review and New Framework**

A new governance framework has been developed to reflect the changes in the Force structure as per the WMP2020 programme.

This has resulted in the evolution of nine thematic boards aligned to the Police and Crime plan and the Force Ambition Plan. The role of the thematic boards are to set clear direction for the Force around delivering the Ambition Plan. The boards are forward thinking and understand the organisation's capability and capacity to deliver. The thematic boards set clear direction with a set of plans which inform Commanders and Heads of Department "what" they need to achieve.

There are also seven Portfolio boards which act as the Senior Leadership Team for the Executive Team members and their Commanders / Heads of Department. At this forum, local plans will be scrutinised and how performance is managed. Through developing their local plans the Commanders and Heads of Department clearly state "how" they intend to deliver the "what" in alignment with the Ambition Plan.



---

Where there is a requirement to deconflict activities there are a number of Tasking and Coordinating forums, which can be accessed by all boards, chaired by the Force Executive.

The arrangements of the new governance framework will continue to be implemented and embedded during 2017/18.

## **7 Monitoring Implementation**

The systems the Chief Constable has in place to monitor the implementation of the Police and Crime Plan through the Ambition Plan and the risk register will ensure activities detailed in this statement are implemented. Progress of the implementation of actions will be reported in next year's Annual Governance Statement.

### **Signed**

Dave Thompson  
Chief Constable of West Midlands Police

Neil Chamberlain.  
Acting Director of Commercial Services West Midlands Police