



West Midlands Police

Annual Governance Statement

Position as at 31st March 2019 including plans for the financial year 2019/20.

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1. Introduction

This Annual Governance Statement (AGS) explains how the Chief Constable governs West Midlands Police (the 'Force') through a system of internal controls. 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 or can be obtained by contacting us, details at 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. Scope

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.

3. 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.

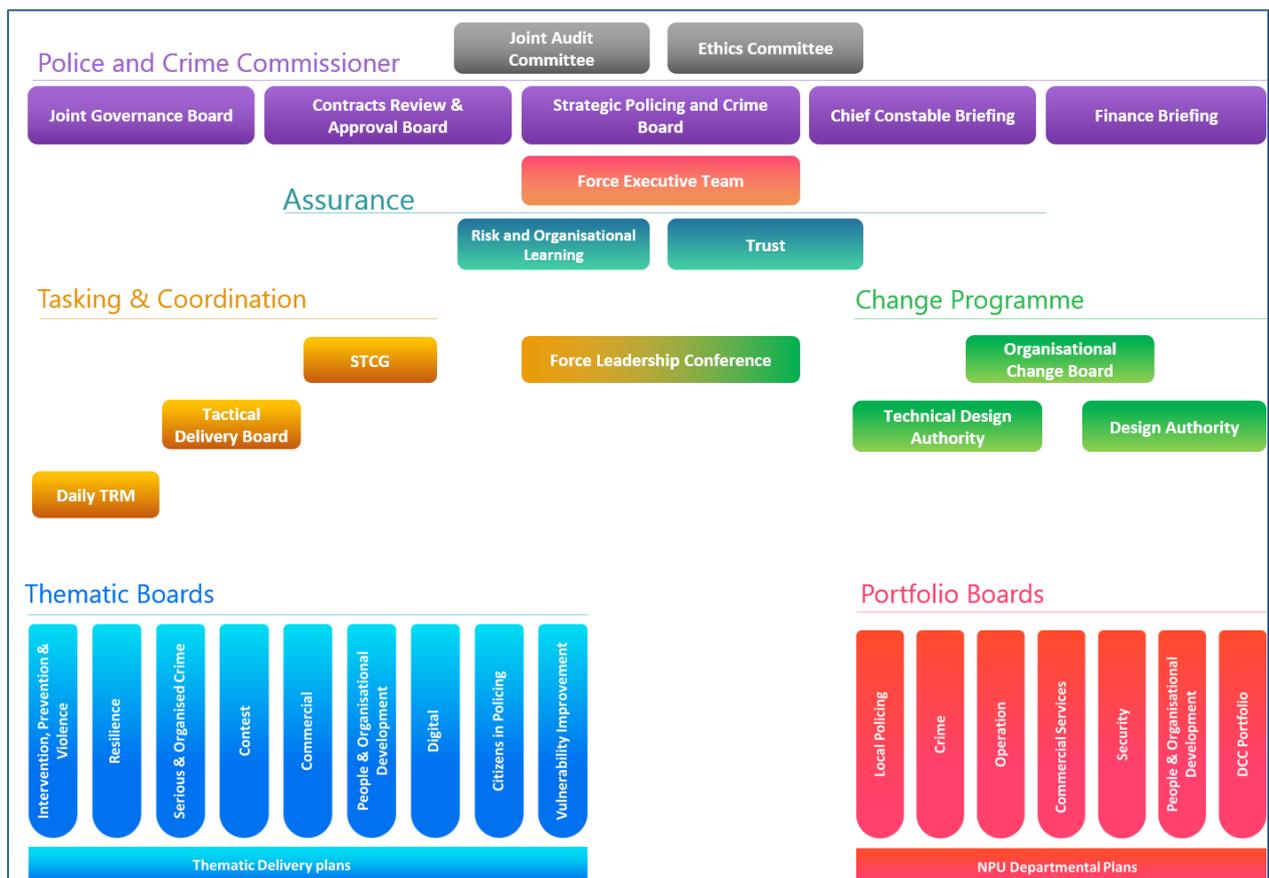
The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance 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 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.

West Midlands Police Strategic Governance Structure:

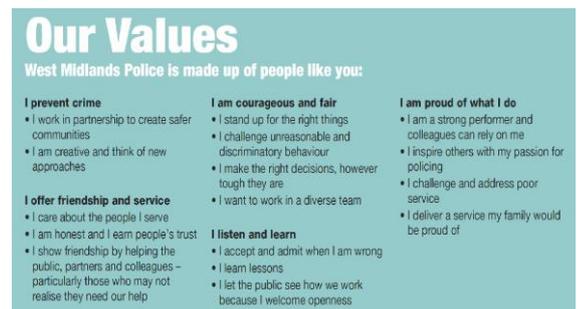


The 'Delivering Good Governance standard for public services 2016' sets out the seven good governance core principles. The key elements of the systems and processes that have been put in place for the Force and how the Force adheres to these seven principles is evidenced below.

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

Evidence to demonstrate Principle A includes;

- ✓ The Chief Constable's Vision and Values, in conjunction with the Code of Ethics, define the exemplary standards expected of everyone working in policing and is communicated to all officers and staff.



- ✓ The Standards of Professional Behaviour reflect the expectations of the public and are governed by specific policies, procedural rules and internal management processes that cover the activities of the force:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Financial Management • Procurement • Health and safety • Gifts and Hospitality • Business Interests • 'Whistleblowing' – Confidential Reporting | <ul style="list-style-type: none"> • Complaints Handling • Anti-Fraud, Bribery and Corruption • Information Security • Information sharing • Data Protection • General Data Protection Regulations |
|--|--|

- ✓ At a national level, the Force cooperates in the National Fraud Initiative which attempts to identify fraud by sharing and comparing employee data across the public sector.

- ✓ Within the Force there are two formal codes of conduct, one for police officers and one for police staff. Both codes define the standards of personal behaviour expected. The

officer code also sets out requirements in terms of use of force, performance, execution of duties and other general conduct expectations. Certain staff, e.g. qualified accountants or solicitors, will have professional codes of conduct to which they are held

to account.



✓ An Ethics Committee has been established which is responsible for providing the Chief Constable and PCC with independent advice around ethical

issues arising from the data analytics projects.

5. Principle B: Ensuring openness and comprehensive stakeholder engagement

Evidence to demonstrate Principle B includes;

- ✓ The West Midlands Police web site includes the current Freedom of Information (FOI) publication scheme in its 'Your right to information' pages.
- ✓ The effective force website aids agile accessibility to the police service by providing advice, enabling a member of the public to report an incident, track their case and undertake live webchat to report all non-emergency crimes online.
- ✓ The Force actively involves communities across the force geography. The approach involves public meetings including community forums, independent advisory groups, scrutiny panels and messaging via WMNOW. There is also active involvement with the full range of media such as press, TV, social media and public surveys.
- ✓ The West Midlands Police and Crime Plan 2016 – 2020 and the Force Ambition Plan identifies and communicates plans and intended outcomes for citizens and service users.
- ✓ The force works closely with Independent Advisory Groups to increase levels of trust and understanding in our diverse communities, support the most vulnerable and make sure our engagement is targeted and meaningful.

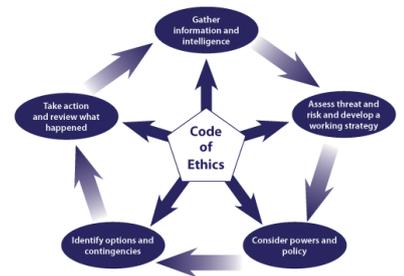


- ✓ The Force's updated procurement strategy includes ensuring achievement of social value.

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

Evidence to demonstrate Principle D includes;

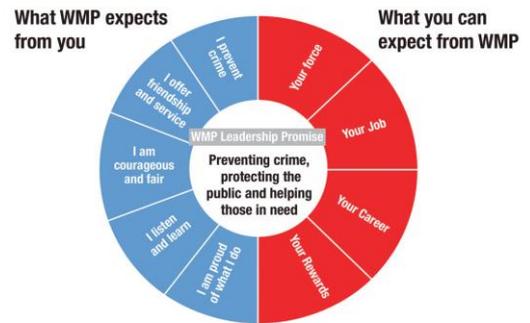
- ✓ The Medium Term Financial Plan (MTFP) has been updated in 2018 which forms the basis of the annual budgets and provides a framework for the evaluation of future proposals.
- ✓ The Force planning cycle incorporates an annual strategic assessment, annual Force Management Statement (FMS), financial plans and delivery plans against the force Ambition Plan.
- ✓ Performance is scrutinized via the governance boards and areas where additional focus is required are highlighted. These areas are followed up and reported on at subsequent boards.
- ✓ Decision-making at all levels of the Force is undertaken within the framework of the National Decision Model, which has the Code of Ethics at its core.
- ✓ WMP have adopted the Threat Harm Risk Investigation Vulnerability Engagement (THRIVE+) framework across all functions. It underpins all decision making in the force and encourages flexible and adaptable risk management, while empowering staff and officers at all levels to have confidence in the decisions that they make.



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

Evidence to demonstrate Principle E includes;

- ✓ The 'People Deal' is a fluid covenant between employees and the organisation. It outlines what WMP expects from its personnel and what people can expect, in return, from the organisation.
- ✓ This covenant extends to those in management roles as described in the Leadership Promise, with individuals aiming to be champions in the workplace; creating an environment which supports, challenges and enables WMP officers and staff to be the best they can be in order to bring the vision and values, as referenced under Principle A, to life.
- ✓ The Force Executive Team have clearly defined leadership roles and objectives; they are responsible for implementing strategy and managing the delivery of services within their respective portfolios.
- ✓ In 2018 the Force rolled out WMP Conversations, a new approach to managing people and performance across the force, along with supporting everyone to bring the vision of WMP to life in a real and practical way.
- ✓ To build on capacity, collaboration arrangements are in place with neighboring forces for significant service areas (CMPG / Legal Services etc.)
- ✓ Regional and national governance arrangements are in place in relation to national and regional programmes (Single Online Home, Specialist Capabilities, Blue Light Collaboration etc.)
- ✓ The innovative Data Driven Insight (DDI) project is leading the national agenda in terms of data analytics. It will deliver a single, cleansed and integrated data set which will provide an enterprise wide search capability directly into the hands of our front line officers on their mobile devices, transforming data access, intelligence and tools. This system will also provide deep insight and analytics creating the step change in how information drives our actions in line with our Blueprint ambition.



- ✓ As part of the HMICFRS Integrated PEEL Assessment (IPA) the WMP's arrangement planning for future demand was graded as 'Outstanding'.
- ✓ An in-house automation capability within IT&D has been developed and implemented.
- ✓ To build on the Force's expertise there are knowledge transfer arrangements in place as part of WMP2020, along with numerous academic collaboration work streams.
- ✓ The Chief Constable has hosted a series of *Aspire to Inspire* and *Lead2Achieve* development programmes and events across the Force to develop the capability of its leadership at all levels within the organisation.

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

Evidence to demonstrate Principle F includes;

- ✓ The Force has an Organisational Risk Management Policy and Risk Register, prepared and reviewed by the Deputy Chief Constable and managed via the Risk and Organisational Learning Board. The Risk Register is subject to internal audit on an annual basis.
The Joint Audit Committee is responsible for independent assurance on the adequacy of the risk management framework
- ✓ The force has also ensured that all decision-making processes are overseen by correct governance structures. Each member of the Force Executive Team (FET) leads a specific portfolio board and chairs thematic boards, all of which incorporate sub-groups for specific functions and themes. This oversight from the highest level ensures that there is no disconnect at any level of management in the continued delivery of force performance and ambitions.
- ✓ Objectives within the Ambition Plan are defined within the WMP Conversations (PDR objectives) of each executive team member and cascaded throughout the organisation's approach to performance management.
- ✓ Performance management forms part of the Force governance arrangements. Performance information is scrutinised by the Force Executive Team via the boards they

chair and the Quarterly Performance Reviews (QPRs) they hold. Deep dives of performance take place at the most senior level of the organization.

- ✓ The DDI performance dashboards provide detailed performance improvement information to supervisor level and above.
- ✓ Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS) independently assesses operational policing processes and reports the performance of the Force at a national level. The Force considers carefully any HMICFRS recommendations and acts upon them.
- ✓ Strong public financial management is evidenced through the following strategies and reports:
 - Benefit Realisation plans
 - Annual Financial Strategy
 - Budget Monitoring reports
 - Annual Statement of Accounts
 - Treasury Management Statement
 - HMICFRS Value for Money Profile

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

Evidence to demonstrate Principle G includes;

- ✓ 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 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.
- ✓ All major change and transformation programmes and projects have their own project boards and adhere to consistent force change control processes which include addressing risk management and mitigation.
- ✓ An External Audit function reports to "those charged with governance" in respect of the Annual Accounts to ensure they are prepared in accordance with legislation, accounting

standards and good practice. As well as issuing a statutory opinion on the accounts they also issue a statutory opinion on the Chief Constables arrangements for securing value for money, measured as economy, efficiency and effectiveness, which sits alongside the HMICFRS assessment work.

- ✓ This Annual Governance Statement is published alongside the Statement of Accounts
- ✓ Regular publication (subject to confidentiality tests) of reports presented to the Strategic Policing and Crime Board.

11. Review of effectiveness

The Chief Constable has responsibility for an annual review of the effectiveness of the Governance Framework. The review of effectiveness is informed by the work of the Force Executive Team within West Midlands Police, who have responsibility for the development and maintenance of the governance environment, the Internal Audit 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 governance framework of the Force has continued to be embedded during 2018/19 to reflect the changes in the Force structure as per the WMP2020 programme. WMP2020 programme

continues to have its own governance arrangements to enable the programme to be delivered effectively.

During 2018/19 an additional two thematic boards have been formed, 'Citizens in Policing' and 'Vulnerability and Exploitation', in recognition of key areas of the Police and Crime Plan and the Force Ambition Plan that were not being governed via the thematic boards already in place.

To increase understanding and improve transparency around force governance, a 'Governance and Knowledge' portal has been developed where all staff and officers are able to access key governance documents such as Board terms of references, actions and decisions and summaries of meetings.

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;
- 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.
- Ensure the Force is implementing agreed actions resulting from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspections.

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 2018/19 Internal Audit programme can be found [here](#).

A high level review of the force Governance Framework to ensure that it is operating effectively and has been embedded into business as usual across the force was agreed as part of the annual internal audit plan for 2018/19.

The review focused solely on the governance arrangements within the force and not the wider joint governance arrangements of the West Midlands Police and the Police and Crime Commissioner.

An overall opinion of **Reasonable** was given to the area reviewed. The opinion reflects the good framework that has been established, recognising that some boards are still in their infancy.

Minor recommendations have been made in respect of the terms of reference of the boards, and also to promote the framework and improve transparency across the force of minutes and actions arising from meetings. There are a number of good practice points noted that have contributed to the opinion, all of which present a positive direction of travel.

Joint Corporate Governance Board

As per the Code of Corporate Governance it has been jointly agreed, with the Commissioner, for the Joint Corporate Governance Board to meet in April 2019 to review the draft version of this AGS. Membership will consist of senior staff representing both the Police and Crime Commissioner and the Chief Constable. In addition the group will review the corporate governance framework and oversee its implementation.

12. Significant governance issues 2017/18

It should be noted that governance issues facing the organisation are not necessarily a result of weaknesses within the internal control framework.

In the 2017/18 Annual Governance Statement it was highlighted that the introduction of General Data Protection Regulations (GDPR) and Force Management Statements (FMS) may impact on how the Force operates.

In relation to GDPR the Information Commissioner's Office (ICO) identified 7 key areas that organisations needed to comply with and were invited into the force in July 2018 to assess GDPR readiness across 3 of the 7 areas:

- Governance & Accountability,

- Training & Awareness
- Security of Personal Data.

To supplement this assessment internal audit reviewed the remaining 4 areas:

- Records Management controls that monitor, create, maintain, store, move, retain and destroy personal data records.
- Subject Access Requests & Data Portability procedures for recognising and responding to requests for access to personal data held by the force.
- Data Sharing principles and protocols to help ensure staff and officers are aware of what information should be shared and how.
- Information Risk and Data Privacy Impact Assessments (DPIAs), including the process for managing information risk and adopting a 'privacy by design' approach to assess and manage the impact of personal data related risks on the force

The internal audit review gave an overall opinion of **Reasonable**. It recognised that GDPR is a work in progress and good progress has been made, and continues to be made, to ensure that force policies, procedures and working practices comply with GDPR.

The FMS was successfully produced and the Force will consider the learning from preparing this year's FMS, to inform the approach for 2019/20. It is anticipated that the data used this year will be enhanced in sophistication and ultimately the methodology programmed into the Data Driven Insight analytics.

13. Significant governance issues looking forward to 2019/20

There are various financial pressures emerging in 2019/20, some with a greater degree of certainty than others, these include:

- Increased pension employer contributions, which have been partly offset by additional grant funding. There remains a lack of clarity as to whether this additional funding will be made a permanent increase to Force funding.
- Flexibility to increase precept levels was greater than originally anticipated, which, coupled with greater efficiency savings has allowed the Force to increase officer numbers over the next two years. There remains a lack of clarity around future precept flexibility which becomes a challenge to medium term financial planning (MTFP) and longer term sustainability of officer numbers.

- Additional funding will be allocated to those Forces faced by significant demand from violent (predominantly knife related) crime. At time of writing the terms of this funding and allocations are not clear.
- The impact of Brexit on both Force demand and supply chain is being monitored and governed closely and will continue to be so throughout 2019/20.
- A revised MTFP will be prepared early in the financial year which will outline the above pressures and model the impact of a range of scenario's including a sensitivity analysis. This will be reported through the Police and Crime Board.

Regular budget monitoring will report spend and funding against budgetary plans in year. These issues and further emerging issues will be monitored through the current governance bodies already in place.

In addition to the financial pressures, WMP2020 will be delivering a number of significant IT changes, in the form of an overhaul of our current duty management system and replacement of the command and control system. The programmes have their own project boards and adhere to consistent force change control processes which include addressing risk management and mitigation.

14. Conclusion and Commitment Statement

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 governance.

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. In any event the governance arrangements of the PCC and the Chief Constable will remain under constant review in the forthcoming financial year.

Signed

Dave Thompson
Chief Constable of West Midlands Police

Neil Chamberlain.
Director of Commercial Services West Midlands