

PUBLIC

AGENDA ITEM 10

**Police and Crime
Commissioner
North Yorkshire**



JOINT INDEPENDENT AUDIT COMMITTEE

14 DECEMBER 2015

REPORT OF THE JOINT CORPORATE RISK GROUP

**QUARTERLY UPDATE ON PROGRESS ON KEY AREAS OF DEVELOPMENT FOR
THE ANNUAL GOVERNANCE STATEMENT 2014/15**

1. PURPOSE OF THE REPORT

- 1.1 To present to the Joint Independent Audit Committee the quarterly update on progress of the five key areas for development on the Annual Governance Statement 2014/15 of the Police and Crime Commissioner (PCC) for North Yorkshire and the Chief Constable (CC) of North Yorkshire Police (NYP).

2. KEY INFORMATION

- 2.1 The PCC for North Yorkshire and the CC of NYP are required to produce an Annual Governance Statement (AGS). The AGS is a document providing the overview of the internal control arrangements that were in place during 2014/15 and a record of the key areas of development identified during a review of those arrangements. The AGS describes how effective NYPs governance arrangements have been over the last 12 months and how they operated.
- 2.2 It also sets out key areas for development (AFD) for the next 12 months. These are:
- Improve our Governance Structures to get better at planning future decision making, as well as making sure decisions are made at the right level of seniority. Each decision will also be looked at closely to make sure it aligns with the priorities in the Police and Crime Plan.
 - Continue to develop our Business Planning Model seeking to maximise efficiency, productivity and develop our outcomes to enable the organisation to manage future austerity measures.

- Increase the organisations understanding of financial processes ensuring we continue to improve our year-end predictions.
- Ensure clarity of the governance environments that apply to collaborative working on a local, regional and national basis. In particular the processes relating to Finance, People, Estates, Information Communication Technology (ICT) and Information Management requirements.
- Ensure clarity of responsibilities in areas where Commissioners have been given additional responsibilities, for example Complaints work.

2.3 The AGS is not a static assessment, the operational environment is continually changing, the AGS and AFDs were prepared at a point in time and many aspects of the landscape have changed since then and will continue to do so.

3. UPDATE ON PROGRESS

3.1 Improve our Governance Structures.

- An Organisational Plan that shows a picture of improvement activity across the next Comprehensive Spending Review (CSR), including dependencies with other projects, has been developed approved and has now transitioned to business as usual. The plan will be kept up to date through the Business Planning process and supports the Risk Management Process.
- The current Decision Making (DM) process and Guidance has been re-scheduled for internal Audit to undertake a review in January 2016. Updates to the process, as a result of the review, will go to Executive Board (EB) in March 2016.
- The Governance and Delivery Manager has reviewed and re-drafted the Project Management (PM) handbook based on the current DM process. A workshop took place in September 2015, with NYP colleagues and the Office of the PCC staff who have a role in delivering projects. The PM handbook is currently being updated with the necessary feedback from the workshop.
- The review of the supporting meeting structure has commenced and information on current arrangements is being obtained. NYP is aiming to deliver this product by the end of the financial year 2015/16.

3.2 Continue to develop our Business Planning Model.

- Meetings have taken place with senior managers to further develop the Business Plan model with revisions being made when necessary. A full review on the Business Plan model is expected to be undertaken by the Risk and Assurance Unit during April 2016. It is anticipated that their results will inform further revisions to the Business Planning model.
- Monthly meetings have been established with senior managers and priority leads to capture progress of the business plan activities and projects. Processes are developing to monitor and coordinate progress of activities.
- Support is given to priority leads with the preparation of thematic presentations at Corporate Performance, Delivery and Scrutiny meetings.

- All projects contained within the Force's Organisational Plan have been mapped across to the Business Plan priorities. Work is progressing to map activities contained within a recent HMIC Valuing the Police submission.
- The links between risk and the Police and Crime Plan priorities as recorded in Active Risk Manager have been used to reference risk to the level 2 Business Planning Framework.
- Agreement was made during a Priority 8 meeting that the Chief Constable's Chief Finance Officer will assess the affordability and financial impact of activities and projects within the Business Plan. This work is progressing.

3.3 Increase the organisations understanding of financial processes.

- Finance constantly review and update specific elements of the Devolved Resource Manual (DRM) as and when the organisation identifies them as an issue. The Governance and Value for Money (VfM) Manager initiated a cross the board review of the DRM, of which will inform the amendment/update of the DRM during Quarter 3 this year.
- Each Department Budget holder now has a named Finance lead who they can contact for advice and support.
- Financial reporting is now done on a departmental basis and finance leads meet with budget holders on a monthly basis to discuss budgets and future spending plans. The result of this was an improved accuracy in the estimated financial outturn for 2014/15.
- Financial processes have been reviewed and streamlined, which has resulted in more time to allow finance leads to provide advice to budget holders.

3.4 Ensure clarity of the governance environments that apply to collaborative working on a local, regional and national basis.

Evolve Collaboration

- Durham has made the decision to withdraw from the collaboration activity on Major Crime at this stage. Cleveland and NYP continue to progress collaboration on Major Crime.
- At the Joint Governance Board (JGB) meeting in October 2015, agreement was reached for an Integrated Dogs Support Unit.
- Work on the collaboration with Legal Services continues and there is a purposeful pause on the work on collaboration with Professional Standards Departments pending legislative changes.
- The Evolve governance arrangements as set out in the governance protocol were developed with reference to the practices utilised in each of the parties. Therefore, they complement local arrangements and provide a common decision record template for recording decisions and relevant remarks from professional advisors.

No 2 Region Collaboration

- Cleveland are leading on the No 2 Region (consisting of the seven regional forces North Yorkshire, West Yorkshire, South Yorkshire, Humberside,

Northumbria, Durham and Cleveland Police) to identify collaboration opportunities.

- Each of the seven forces have completed a prioritisation matrix, (which was used during the Evolve programme), to determine what services are looked at first collaboration wise. The results have been summarised into a report for the Cleveland Lead and was reported to the No 2 Region Chief Constable's (CCs) meeting on the 12 November 2015, but no decisions were made.
- The NYP representative agreed to provide a short report to summarise outputs of the National meeting due to take place on the 4 December 2015 for the next No 2 Region CCs meeting due to take place on the 10 December.

YaTH Collaboration

- NYP is commencing administering the YaTH meetings from January 2016. The T/ACC is leading on this work and arrangements are currently being finalised.

3.5 Ensure clarity of responsibilities in areas where Commissioners have been given additional responsibilities.

- As part of the Evolve programme Professional Standards Department functions have been mapped as part of the initial service specification document.
- Evolve PSD was paused at the last collaborative meeting, new legislation should verify options available and the approach to standardising police staff and Police office conduct. NYP is awaiting new legislation, which is still anticipated by the New Year.

4. MONITORING

- 4.1 Progress is monitored on a quarterly basis by the Risk and Assurance Manager, within the Risk and Assurance Unit. Monitoring reports are submitted to the Joint Corporate Risk Group and Joint Independent Audit Committee.

5. RECOMMENDATIONS

- 5.1 This report is provided to members of the Joint Independent Audit Committee for information on the update on progress of the five key areas for development on the Annual Governance Statement 2014/15 of the Police and Crime Commissioner (PCC) and the Chief Constable (CC) of North Yorkshire Police (NYP).

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