

# Annual Governance Statement 2019/2020

For the Police, Fire and Crime  
Commissioner for North Yorkshire and the  
Chief Constable of North Yorkshire Police

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## Introduction



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Welcome to the Annual Governance Statement (AGS) for 2019/2020. The AGS provides an overview of the governance structures and processes that were in place during the year and outlines the findings of the annual review of those arrangements.

## Welcome from the Commissioner and Chief Constable

We rely on our people to deliver our services to the public. We rely on our governance arrangements to make sure that this is done properly. We each have a responsibility for ensuring that our governance arrangements remain fit for purpose.

Based on the review undertaken to inform this AGS the key structures and processes that were in place during 2019/2020 continued to provide a high level of confidence in the governance arrangements.

On this occasion the review of the governance structures and processes that have been relied on during 2019/2020 has been undertaken at a time of national emergency. The coronavirus pandemic impacted towards the very end of the reporting period and it so the impact from a governance perspective has been minimal. Looking ahead it will be imperative to align the governance processes to the emerging new normal following changes to ways of working that are implemented through the recovery phase and compliment the development of the Enable North Yorkshire collaboration.



### They can be relied on to make sure that:

- Decisions are ethical, open, honest, and evidence based
- Public money is safeguarded
- Risk is effectively managed
- Transparency comes as a matter of course
- Processes are continually improved

## Pillars of good corporate governance



# Corporate Governance

## What is Corporate Governance

Corporate governance refers to the process by which organisations are directed, controlled, led and held to account. In other words, corporate governance is how we make sure we do things properly.

Each year we, the Commissioner and Chief Constable, are required to produce an AGS. The AGS is the formal mechanism we use to report on the effectiveness of our internal control and decision making systems. Our AGS complies with the reporting requirements contained in the CIPFA – Code of Practice on Local Authority Accounting and accompanies our accounts for the financial year. This is a document that describes how well our governance system has functioned during the year ended 31 March 2019 and sets out areas for development for the year ahead.

*Good corporate governance helps to put people first in everything we do. This gives us confidence that we are doing the right thing in the right way for those who we deliver services to, for and with.*



In April 2016 CIPFA published an updated version of their “Delivering Good Governance in Local Government: Framework” which was followed by specific guidance notes for Policing Bodies. The 2016 Framework sets out seven principles of good governance which are taken from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) ('the International Framework') and interprets them for local government. The seven principles are:

- 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.

The principles and guidance have again informed the review of governance arrangements for 2019/20. More specifically, the structure of this AGS has been prepared with reference to themes from key elements of the structures and processes referred to in the CIPFA guidance.

## Codes of conduct and standards of professional behaviour

### Ethics and Standards are core to Corporate Governance Arrangements

The organisation aspires to the highest ethical standards in all of our activities. The policing Code of Ethics sets out the principles and standards of behaviour that promote, reinforce and support the highest standards from everyone who works within the police service.

The Code is founded upon nine policing principles which were built on the Nolan principles for public life, and these principles should underpin every decision and action across policing. In accepting to abide by the Code of Ethics, everyone is committed to the principles and standards of behaviour, and these will assist everyone in doing the right thing when faced with difficult and complex decisions.

Consideration is given to the standards of professional behaviour and the nine policing principles whilst carrying out all our activities. This helps us ensure that everything we do is supported by our values and behaviours.

There is active monitoring of standards and behaviours and our learning bulletin regularly highlights expressions of appreciation from stakeholders recognising the service provided by our officers and staff.

As with any organisation there are times where individual conduct can fall short of the standards of behaviour expected of them. There is however confidence in the management arrangements that were in place for this area during the last year.

#### The policing principles are:

- Accountability
- Fairness
- Honesty
- Integrity
- Leadership
- Objectivity
- Openness
- Respect
- Selflessness

#### Further information

- Commissioner's Ethical Framework
- NYP Ethics and Standards

### Complaints and Compliments

The Commissioner and Chief Constable are committed to improving the service North Yorkshire Police (NYP) delivers to its diverse Communities. Any complaints or compliments received are part of the barometer used to understand how well policing is being delivered, and most importantly, in improving service both individually and collectively.

The arrangements that were in place for making complaints during 2019/2020 were accessible and published. These have been actively engaged with and an appropriate level of information about the outcomes made available.

On 1 February 2020 new legislation introduced major changes to the handling of police complaints and recognition across forces in England and Wales.

These include the introduction of Practice Requiring Improvement and the Reflective Practice Review Process.

#### The aims and key principles of this new process are:

- To learn and develop by improving from mistakes, poor judgement and low-level misconduct via early and supportive intervention
- To provide a fair, open and proportionate process to deal with such matters
- To focus upon self-reflection, learning from mistakes and development of actions to put issues right and prevent reoccurrence
- To build an inclusive, reflective and participative process for the officer involved, and the identification of individual and organisational learning
- To ensure that disciplinary proceedings are focused and applied only to serious breaches of the Standards of Professional Behaviour, where it is considered that a formal disciplinary sanction is justified

## Ensuring Compliance

The new regulations also made provision to transfer the handling of complaints and recognition to police and crime commissioners. Since 2 March 2020, complaints and recognition have been primarily handled by the new Complaints and Recognition Team at the Office of the Police Fire and Crime Commissioner.

Where complaints cannot be resolved by the team, they will work in partnership with NYP's Professional Standards Department where complaints will be processed in line with the new police complaints regulations. They will look at early resolution of the complaint and see if it can be achieved through reflective practice, or reflective learning and mentoring conversations.

The aim is to achieve sustained improvements in customer care, practice and contact over time, both with individuals and across the wider organisation too.

## Code of Corporate Governance

Our Code of Corporate Governance is a key governance instrument which acts as a reference point for the expectations and rules about, for example, who in the organisation can make decisions and on what issues.

There is provision in the code for an annual review. As a result of changes in some organisational arrangements during 2019/2020 the next iteration shall reflect those and will include for example any changes required as a result of changes in arrangements for complaints or enable NY. A separate Code of Governance is in place for the Commissioner in the role of the Fire and Rescue Authority.

## Finance Regulations

Aligned to the Code of Corporate Governance are the Finance Regulations. These translate into practical guidelines and the framework for decision making on financial matters.

## Sources of Assurance

Various sources of assurance are relied on to test and ensure compliance with laws and regulations, the governance and that expenditure is in line with the Finance Regulations.



## Internal Audit

Internal Audit Services for the year were provided by RSM. The internal audit plan for the year and regular progress reports detailing the outcome of those assignments in the plan were prepared and reported to the Joint Independent Audit Committee.

The plan is risk based and targeted at areas where Internal Audit is the appropriate assurance provider. It is designed with a large degree of flexibility so that changes can be made in order to test emerging areas of concern.

Based on the internal audit assignments completed throughout the year an audit opinion is formed by RSM for both the Commissioner and Chief Constable. Both the Commissioner and Chief Constable received positive opinions in the Annual Report for the year.

### Further information

-  Financial Regulations
-  Annual Internal Audit Report 2019-2020

The organisation has an adequate and effective framework for risk management, governance and control.

However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

The positive opinion of the internal auditors for the year ended March 2019 was used to inform the judgement on the level of assurance provided in the governance arrangements.

## Areas of Partial Assurance

**Six internal audit assignments resulted in opinions of "Partial Assurance".**

- Human Resources: Wellbeing
- Integrated Offender Management
- ICT Service Operations
- Seized Exhibits: Temporary Stores
- Business Continuity Planning
- Policies and Procedures

# Ensuring Compliance

## HMICFRS

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) independently assesses police forces and policing activity in the public interest, ranging from neighbourhood teams through to serious crime and the fight against terrorism.

In preparing their reports, they ask the questions which the public would ask and publish the answers in an accessible form.

HMICFRS provide the information to allow the public to compare the performance of their force against others and their evidence is used to drive improvements in the service to the public.

As an additional source of assurance HMICFRS outcomes were considered in the review of governance arrangements.

In the fifth PEEL (police effectiveness, efficiency and legitimacy) of North Yorkshire Police reported in September 2019, HMICFRS found that;

the extent to which the force is effective at reducing crime and keeping people safe is good.

the extent to which the force operates efficiently and sustainably is good.

the extent to which the force treats the public and its workforce legitimately requires improvement.

As such legitimacy has been identified as an area of focus to ensure that improvements can be tracked against activity to improve this area of business.

This includes the cultural aspects of the T2020 programme being progressed and embedded.

As is recorded later in this document HMICFRS reported positively on the progress that the Force has made in relation to Crime Data integrity.



## External Audit

External Auditors work independently of the organisation. They examine records, operating systems and financial accounts and provide assurance around compliance. Our external audit service is provided by Mazars. The appointment is made independently by Public Sector Audit Appointments (PSAA) who manage the arrangements for appointing auditors as set out in the Local Audit and Accountability Act 2014.

## Joint Independent Audit Committee

The Commissioner and Chief Constable operate a Joint Independent Audit Committee (JIAC).

With an independent Chair, the role of the Committee is to provide independent assurance on the adequacy of corporate governance and risk management arrangements that the Commissioner and Chief Constable rely on.

The Committee continued to develop during the 2018/2019 term with active engagement throughout the formal sessions. All sessions in the reporting period were conducted with the necessary quorum.

In addition lead members have been allocated for the thematic areas of Information Management and separately Risk Management. The lead members have actively engaged with the appropriate teams during the year.

### Further information

- HMICFRS
- Joint Independent Audit Committee

## Transparency & Engagement

The view of the organisations is that transparency is one of the pillars of good corporate governance. The stated aspiration is that statutory requirements are not only complied with, but exceeded.

Active engagement with those communities that we serve helps to create a positive working relationship with them and a more detailed understanding of their needs and issues.

A range of tools are used to help us be aware of and understand the experiences of our communities. For example social media channels are actively used on a daily basis and a range of more traditional engagement events have occurred throughout the year.

The communities of North Yorkshire were regularly invited to have their say during 2019/2020. Participation was encouraged in surveys relating to a number of topics. For example; concerns about illegal drugs and the use of tasers.

In addition a survey provided communities with the opportunity to influence the decision in relation to increases in policing precept.



## How the business was managed in 2019/2020

### Police and Crime Plan

The plan sets out the vision and priorities for policing and community safety, as well as the objectives and ambitions that the Chief Constable is held to account against.

### Code of Corporate Governance

Crucially this contains the scheme of delegation and consent which sets out the parameters for who can make decisions across the business.

### Chief Finance Officer Protocol

The Chief Finance Officer protocol is designed to recognise our commitment to the Home Office Financial Management Code of Practice for the Police Service in England and Wales. The Chief Finance Officer arrangements have also considered the CIPFA Code of Practice recommendation that the Commissioner's Chief Finance Officer reports directly to the Commissioner. If different arrangements are adopted the reasons should be publicly reported in the Annual Governance Statement. Due to the nature of the arrangements in North Yorkshire the arrangements are considered annually.

The Commissioner's Chief Finance Officer reports via the Chief Executive Officer to the Commissioner. This provides an effective solution for him to engage on all material matters via a dedicated line manager. The Commissioner's Chief Finance Officer has direct access to the Commissioner as well as to the Chair of the Joint Independent Audit Committee. The Commissioner's Chief Finance Officer remains satisfied that these arrangements enable him to effectively deliver the statutory functions of his role.

The role of Commissioner's Chief Finance Officer continues to be provided by way of a collaborative arrangement with the Police and Crime Commissioner for Cleveland.

### Executive Board

The forum for oversight of corporate health during 2019/2020 was the Executive Board. During the year the Board operated on a joint basis with senior colleagues from North Yorkshire Fire and Rescue Service as attendees.

### Monitoring Officer Protocol

During 2019/2020 the Monitoring Officer role was provided by way of a collaboration agreement with the Police and Crime Commissioner for Cleveland. This arrangement has been extended into 2021 during which time the provision of the Monitoring Officer Protocol will be kept under review.

#### Further information

- Police and Crime Plan
- Executive Board
- Chief Finance Officer Protocol
- Monitoring Officer Protocol





# Scrutiny Arrangements

## Holding the Chief Constable to Account

This is the statutory role of a Police, Fire and Crime Commissioner and can be done in a number of ways. Locally the Commissioner uses a mix of public meetings, reports and research; partnering organisations such as Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services; and formal complaints to assess the Chief Constable against expectations.

In North Yorkshire the philosophy is to focus on the following five areas:

- Performance
- Quality of work
- Value for money
- Using feedback and evidence to improve services
- Examining performance

The Commissioner actively seeks the input of the public in order to effectively carry out the scrutiny function. Whether formal or informal, scrutiny is informed by public views, needs and feedback.

## Public Accountability Meeting

The formal meeting that performs this important role is the monthly Public Accountability Meeting. This meeting is live streamed and the public can participate.

The meeting is made up from members of the Executive Board, other Chief Officers and Heads of Department. It is supported by performance and change management / planning staff.

The Commissioner, Chief Constable and Chief Fire Officer chair the meeting jointly because both expect the police service to be performing at its best and both have a role in ensuring actions are delivered by the teams reporting into them. Performance reports are published after these meetings.

There are various scrutiny arrangements in place for the organisations which reflect the respective statutory roles.

## Police, Fire and Crime Panel

The Panel has the statutory responsibility for scrutinising the performance of the Commissioner and is a joint committee of the local authorities in the area. The Panel undertakes its scrutiny function through a range of mechanisms and considers such matters as:

- Reviewing the Commissioner's proposals for the amount of council tax local people pay towards policing. It has the power to veto these proposals if it considers the amount is inappropriate.
- Considering the Commissioner's Police, Fire and Crime Plan and Annual Report.
- Considering the Commissioner's proposals for the appointment of new Chief Constables and Chief Fire Officers, with the power to veto.
- Investigating non-criminal complaints about the Police, Fire and Crime Commissioner
- Investigating non-criminal complaints about the Deputy Police and Crime commissioner

'The Commissioner also uses independent scrutiny panels, which she has specifically set up to help scrutinise specific parts of policing, chaired by independent members of the public. You can see more about those boards in her Annual Report'

### Further information

- Police, Fire and Crime Panel
- Public Accountability Meeting
- Annual Report

## Working with others

### Collaboration Governance

The Commissioner has a statutory duty to collaborate and so it is important that good governance arrangements are incorporated for oversight of collaboration activity.

The agreements that underpin collaboration activity are published as a matter of routine. In addition the notes from the formal meetings that oversee collaboration activity are also published in the spirit of transparency.

The oversight arrangements for functions that are delivered on a collaborative basis are designed in such a way as to build in the principles and behaviours of good governance.

New national collaboration arrangements agreed in 2019/2020 included those relating to the National Police Chief's Council Single Online Home and Modern Slavery Transformation.

At a local level and of more significance from a governance perspective the collaboration agreement that underpins the further development of 'Enable North Yorkshire' was agreed and published in February 2020.

'Enable North Yorkshire', will ensure that support functions are maximised and modernised, enabling emergency services to operate efficiently and effectively in serving the public, and improving how local policing and fire services work together.



## What we said we would develop in 2019/20

### Areas for Development from the 2018/2019 AGS

| Area for Development  | Owner                    | Progress   |
|---|--------------------------|--|
| <p>1. Improving the processes and mechanisms in place for measuring the performance of services and projects in line with the Transformation Programme.</p> | <p>Managing Director</p> | <p>Throughout this year we have had an increased emphasis on service performance monitoring through the introduction of Service Plan Reviews, these have been introduced across operational services with the roll out to enableNY departments scheduled. The Service Delivery Plans will be used by members of the Chief Officer Team as a key tool to determine progress and performance against key activities and deliverables. They will also be used to provide the basis for PDR reviews which are monitored on a twice yearly basis.</p> <p>The transformation programme has paved the way for a new programme management approach for projects including a revised benefits management process. This will ensure an increased level of ownership for ensuring that the benefits anticipated from projects are clearly identified and then managed throughout the life of the project and this will allow us to demonstrate the return on investment to our communities.</p> |
| <p>2. Ensuring that the development of leaders progresses in line with the organisational aspiration for intent based leadership.</p>                       | <p>DCC</p>               | <p>In 2019 North Yorkshire Police introduced a style of leadership known as intent-based leadership, where officers, staff and volunteers are trusted, supported and empowered to take responsibility to consider options for themselves and do the right thing. It is based on a learning culture rather than one of blame and ensures that everyone reaches their full potential.</p> <p>Intent-based leadership is about giving control to the people who have the knowledge to make the decisions in their day-to-day work. It's about developing the competencies you need to make the right decisions, ensuring that skills gaps are filled and - fundamentally - it is about leaders setting clear objectives and boundaries for their teams to work within.</p>  |

## What we said we would develop in 2018/19

| Area for Development  | Owner  | Progress  |
|---|--|---|
|   | DCC  | The IBL programme was delivered throughout 2019 / 2020. Structured in three mandatory training modules (1. Intent Based Leadership, 2 Communication and 3. Coaching) with all supervisors and senior managers scheduled to receive training   |
| 3. Developing the governance and internal control processes for services that are delivered as part of the Enable Collaboration.                      |  | The commissioning model for services delivered as part of the enableNY collaboration is at an advanced stage of development. The design takes account of the governance and internal control processes of both the Police and the Fire and Rescue Service. It could be considered appropriate to carry forward this area for development to 1. allow testing of the commissioning model against the existing control framework and 2. account for any emerging implications from the PFCC elections.                          |
| 4. Monitoring the potential implications for governance and service delivery following the decision of the Commissioner not to stand for re-election. | Interim Chief Executive and Monitoring Officer | The OPFCC has a neutral role during the pre-election period to ensure that candidates' needs and requirements for information about the role of Police Fire & Crime Commissioner, are met fairly, thoroughly and objectively. Advice relating to the pre-election period has been publicised for colleagues with additional advice available on request. The emphasis is very much on ensuring that North Yorkshire Police, North Yorkshire Fire and Rescue and those representing the operational services remain impartial. |
| 5. Act on the outcome of the latest HMICFRS Crime Data Integrity Inspection to ensure improvements continue to be made in that area.                  | DCC  | North Yorkshire Police has been assessed as "good" at recording crime and its leadership in relation to crime recording assessed as "outstanding" following a re-inspection in 2018. Her Majesty's Inspectorate of Constabulary Fire and Rescue Service published its report into the force's 'Crime Data Integrity' in October 2019.   |

## Governance Arrangements

### The review of our governance arrangements Annual Governance Statement 2019/2020

The review of effectiveness of the joint governance arrangements in place during 2019/2020 indicated that the framework that was in place provided a high level of assurance. Based on reflection of the key structures and processes which comprise those arrangements it can be judged that appropriate mechanisms existed to:

- promote and monitor codes of conduct and professional behaviour
- ensure compliance with internal and external requirements
- promote transparency and acting in the public interest
- develop channels of communication with all sections of the community
- manage the business to deliver the organisational vision of being synonymous with exemplary service
- apply good governance arrangements to collaboration activity and partnerships
- appropriately scrutinise performance

It has been identified that some of the governance mechanisms and protocols that have been in place for some time will need to be reviewed to ensure that they remain fit for purpose. This is particularly important as the Enable North Yorkshire collaboration develops and support services are modernised.

On a similar note, whilst the coronavirus pandemic did not impact extensively on operational matters during 2019/2020 there is much to consider going forward. As the recovery process progresses nationally there are many avenues to explore in relation to organisational learning and potential efficiencies. The resultant changes to ways of working and their potential impacts on the governance arrangements will be monitored during 2020/2021.

The areas for development detailed overleaf have been identified from the review process. The implementation of these will be monitored and reported in our AGS for 2020/2021.



## Summary

### Areas for Development for 2020/21

The key areas for development during 2020/21 are summarised below:-

| Area for Development  | Owner | Target date |
|---|-------|-------------|
| 1. Track the activity underway to address the deficiencies that resulted in the HMICFRS legitimacy rating of "requires improvement".  |       |             |
| 2. Developing the governance and internal control processes for services that are delivered as part of the Enable Collaboration.  |       |             |
| 3. Monitoring the potential implications for governance and service delivery following the decision of the Commissioner not to stand for reelection.                                  |       |             |
| 4. Embedding the Programme Management Office function within the Business Design and Assurance team to increase the focus on improving business benefits identification and delivery. |       |             |



We hope that this document provides you with some helpful insight into how we decided to lead North Yorkshire Police, the systems we have put in place to ensure our decisions are open and accountable, and that your money is safeguarded.

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June 2020