Gloucestershire Constabulary
Office of the Police and Crime Commissioner

Annual Governance Statement (AGS)

01 April 2021 – 31 March 2022

ANNUAL GOVERNANCE STATEMENT (AGS)

There is a statutory requirement to prepare an Annual Governance Statement which sets out the internal controls in place to ensure proper practices and good governance arrangements in accordance with the CIPFA/SOLACE Delivering Good Practice in Local Government: Framework (2016). The Annual Governance Statement is one way in which public sector bodies can assess and demonstrate that they are taking a responsible and informed approach to governance arrangements.

The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom(CIPFA/LASAAC 2017) states that:

The preparation and publication of an Annual Governance Statement in accordance with Delivering Good Governance in Local Government: Framework (2016) would fulfil the statutory requirement in England, Scotland, Northern Ireland and Wales for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its Statement of Accounts.

Therefore local authorities in England shall provide this statement in accordance with Delivering Good Governance in Local Government: Framework (2016) and this section of the Code.

This Governance Statement is based on the seven principles of the framework. The content of this document provides some detail on the systems, processes, culture and values throughout the Organisation. The content reflects major areas and is not an exhaustive list of all control issues in place.

The seven principles are:

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

2. Ensuring openness and comprehensive stakeholder engagement

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

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

5. Developing the entity’s capacity, including the capability of its leadership and the individuals within it

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

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

1. SCOPE OF RESPONSIBILITY

This statement is written on behalf of both the Police and Crime Commissioner for Gloucestershire (PCC) and the Chief Constable of Gloucestershire Constabulary, and is included with the accounts for both the PCC and the Chief Constable.

The PCC is elected locally and is required to hold the Chief Constable to account for the exercise of their function. The Chief Constable provides overall direction and control of police personnel and operational matters. The Chief Constable is responsible for delivering policy in line with the PCCs Police and Crime Plan.

For the purposes of this document reference is made to ‘the Organisation’ which includes the Constabulary (under the direction and control of the Chief Constable) and the Office of the Police and Crime Commissioner (OPCC) under the leadership of the PCC’s Chief Executive.

The PCC is responsible for ensuring that his office (“the OPCC”) and the Constabulary operate in accordance with the law and proper standards. The Chief Constable is responsible for ensuring that policing in Gloucestershire is conducted in accordance with the law and proper standards. Both the PCC and the Chief Constable must ensure that public money is safeguarded, properly accounted for andused economically, efficiently and effectively.

The PCC and Chief Constable must put in place proper arrangements for the governance of their affairs and for facilitating the exercise of their function and ensure that a sound system of control is maintained within the organisation through the year. In exercising his responsibility, the PCC places reliance on the Chief Constable to support the governance risk management processes.

In order to do this the PCC and the Chief Constable operate within a joint Corporate Governance Framework which provides clarity on the way the two bodies will be governed. The Corporate Governance Framework incorporates the principles of the CIPFA / SOLACE Framework: Delivering Good Governance in Local Government. A copy of the current version of the Corporate Governance Framework is available on the website for the OPCC.

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework in place throughout the financial year covers the period from 1 April 2021 to 31 March 2022, and up to the date of approval of the annual Statement of Accounts.

The framework sets out the systems and processes and the culture and values by which the Organisation is directed and controlled, and the activities through which it engages with its communities. It enables the Organisation to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

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. It can therefore only provide a reasonable and not an absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives, to evaluate the likelihood and the potential impact of those risks being realised, and to manage them effectively, efficiently and economically.

In 2020/21 the AGS reported that COVID-19 had significantly impacted on the organisational operations and, in some areas, changes were required to the standard systems of internal controls, but in all cases a robust approach to managing the individual risks is considered to have been maintained.

Practices relating to financial and governance arrangements put in place during 2021/22 have returned to a pre-pandemic state. Some practices that have been found to be more efficient are being kept in place and a further review of process relating to final paper checks will be undertaken during the next year to establish if further efficiencies can be found. The organisational Silver function, which was used to co-ordinate resources and communications, and implement national guidance, remained in place at a much reduced scale due to many of those resources returning to normal working practices, and was stopped in May 2022.

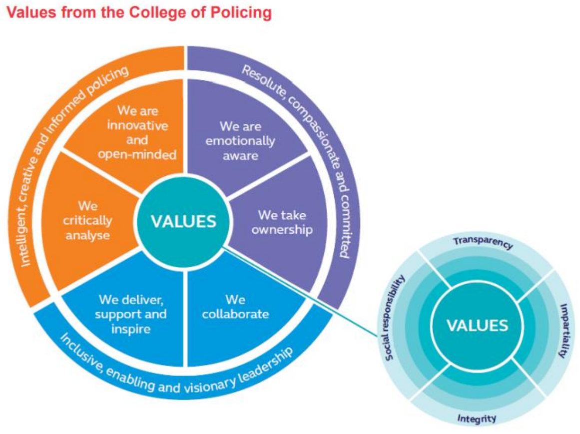
3. THE GOVERNANCE FRAMEWORK

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

The PCC and the Chief Constable operate within a joint Corporate Governance framework, which provides clarity on the way the two bodies will be governed. The latest version of the Corporate Governance Framework is available on the website of the OPCC:
Policies & procedures - Gloucestershire's Office of the Police and Crime Commissioner (gloucestershire-pcc.gov.uk)

The Chief Constable has supplemented this with a Governance Directory, the Gloucestershire Constabulary Corporate Approach, which includes:

Constabulary values and governance principles



- Governance of all ongoing operational matters is a Constabulary responsibility
- The Office of the Police and Crime Commissioner is represented effectively at all appropriate groups and boards
- Without prejudice to the operational independence of the Chief Constable and the specific duties of the Police and Crime Commissioner, governance is undertaken only once (where possible) on behalf of both legal entities
- Decision-making will take place at the most efficient and effective level in a style that is supportive and inclusive
- There is appropriate opportunity by relevant stakeholders to influence direction and key decisions
- Clear communication and visibility of decision-making is available to staff
- What can be made public is.

The Constabulary and the OPCC have adopted the College of Policing's Code of Ethics, and this applies to all officers and staff. The Code includes the nine policing principles, and the 10 standards of professional behaviour. It includes the national decision making tool for use by officers and staff to enable them to make decisions which are consistent with these principles and expected behaviours.

The 2021 HMICFRS PEEL inspection rated the Constabulary as ‘Good’ for treating people fairly and with respect, stating that “The Force works well with communities. It is improving its understanding of the use of force and it understands and is improving the way it uses stop and search. It also observed a number of the scrutiny panels referenced below and noted:

> “It has also put in place effective external scrutiny arrangements”.

The Community Legitimacy Panel (CLP) consists of members of the county’s Black, Asian and Minority Ethnic (BAME) communities. It looks at areas such as recruitment and promotion, as well as helping the Constabulary develop policies around stop and search and the use of force. The Constabulary has recently made the following statement:

- “We are committed to being an anti-discriminatory organisation. This means not only acting in a non-discriminatory way, but addressing systemic inequalities, disadvantage and discrimination.”

- The Community Legitimacy Panel runs bi monthly, with meetings minuted and actions taken. ACC Kirk and the CLP’s independent Chair held a formal review in May, to sign off and agree that all actions had been completed. The minutes are then published so that the activities of the panel are transparent

- If an issue was not resolved through the panel, the escalation route would be to the Chief Constable, but that has not needed to happen to date

- Examples of effectiveness are: changes to the BWV policy, stop and search, reviews of complaints and a large contribution to the institutional racism debate. We have also held several public events, ensuring communities start to feel more empowered.

The PCC has an Independent Custody Visiting Scheme (ICV) where volunteers attend the Custody Suite to check on the treatment of detainees and the conditions in which they are held and that their rights and entitlements are being observed.

- Findings from ICV visits are not reported to any boards. However, the findings from ICV visits to custody are collated and quarterly and annual reports are generated

- The annual report goes to the ICV AGM – where the PCC, Criminal Justice representatives (Chief Inspector and Superintendent) and the OPCC’s Chief Executive and Deputy Chief Executive attend. The annual report also goes to the Police and Crime Panel.

The PCC has developed the Animal Welfare Scheme (AWS)

- The Animal Welfare Scheme allows for independent, vetted and trained members of the public to visit police dog training centres, accommodation and police stations to observe, comment and report on the conditions under which police dogs are housed, trained and transported. The scheme covers anyone who interacts with police dogs, such as the trainers, handlers and kennel staff

- As the scheme is in its infancy, no reports have been generated thus far. However, like the ICV scheme, reports will be produced and publicised for transparency and reported to the Police and Crime Panel in due course.

The Constabulary has a Legitimacy and Learning the Lessons Meeting. Its prime purpose is to broaden awareness of our service delivery. The focus of the meeting is to understand our activity in relation to legitimacy and learning.

The PCC and Chief Constable have transparent and accessible arrangements for dealing with complaints received from the public. The Constabulary has a Professional Standard Department and Anti-Corruption Unit which undertake investigations in relation to complaints made by members of the public and internal misconduct matters. The Organisation has a Fraud and Anti-Corruption Policy and participates in the National Fraud Initiative. Complaints against the Chief Constable are dealt with by the PCC. The Independent Police and Crime Panel handles complaints made against the PCC.

The Constabulary has a Public Feedback team to learn from feedback. There are policies in place for whistle-blowing, Business Interests and Gifts and Hospitality. There is a detailed organisational structure, with clearly defined responsibilities for each of the Chief Constable's senior officers.

There is a performance management framework and each officer and staff member is subject to the Constabulary Personal Development Review (PDR). Officers and staff understand the Constabulary's values. Leaders use these values when they make decisions.

Policies and procedures provide a framework that sets out expectations and working practices for the conduct and behaviour of all officers and staff. The Police Staff Disciplinary Policy details arrangements for Police Staff. Each member of staff has been issued with the Staff Code of Conduct, and staff who hold accreditation to professional bodies are also subject to the codes of conduct associated with those bodies.

Operational officers and staff are issued with Body Worn Video (BWV), which maximises evidence and assists with integrity and transparency. In house legal advice (supplemented by external solicitors and counsel) is used to ensure that the Organisation acts legally in discharging its functions and also provides advice on new legal developments.

The Organisation is committed to open and accountable decision-making. To meet this commitment, there are procedures to be followed for decision-making. These are designed to ensure that all decisions are made in accordance with thefollowing principles:

- Significant decisions will be publicly reported unless it is inappropriate to do so
- Decisions must be lawful
- Decisions should take account of consultation with the public and advice from officers and staff
- Decisions will respect human rights
- The desired outcomes should be clear
- Decisions should be properly reasoned and where appropriate the reasons for rejecting alternatives should be explained.

The governance structure is based around a joint decision making approach wherever possible, with attendees from both the Constabulary and the OPCC attending boards, including the Constabulary's Governance Board. The ultimate decision making board within the Organisation is the PCC's Governance Board, which is attended by the PCC and the Chief Constable, and their senior officers. Decisions made at this forum are publicly available on the OPCC's website.

Members of the public can make complaints to the Chief Finance Officer (CFO) regarding the proper administration of financial affairs. If the Chief Finance Officer considers there is a need to report this, they are required by legislation to prepare a report and send a copy to the PCC, the Chief Constable and the external auditor. The Chief Finance Officer should also inform members of the Audit Committee, the Police and Crime Panel and the internal auditor.

Principle B - Ensuring openness and comprehensive stakeholder engagement

Based on the views and concerns about policing and crime that he heard from the public while campaigning for office, and since he became Commissioner in May 2021, the PCC Chris Nelson published Gloucestershire's new Police and Crime Prevention Plan in January 2022.

The plan includes six priorities for the period 2021-2025. These priorities inform the Constabulary's Corporate Strategy and the wider objectives of the Force and the OPCC.

The six priorities are:

- Creating safer communities
- Tackling violence against women and girls
- Strengthening your Constabulary
- Targeting the causes of crime
- Supporting victims and reducing reoffending
- Empowering local communities.

This approach will bring clarity and focus, allowing people to track how the commitments and aspirations in the Plan are becoming a reality – and the work that needs to be done to realise them.

Budget consultation
The late notification of the central grant and precept limitation once again significantly restricted the opportunity for any formal consultation on the proposed increase. The OPCC website provided information to the public at the end of December on the budget with a formal request for comments. From a total adult population of almost 500,000, there was a very low level of response. Prior to the budget paper being presented to Police and Crime Panel, 81 responses were received from all media of which 38.3% supported the increase and 51.9 % were opposed to it (9.9% unclear).

Police and Crime Panel
The Police and Crime Commissioner makes regular reports to the Police and Crime Panel. The Panel is under a duty to support, as well as challenge, the PCC. The Panel meets regularly to review and scrutinise the decisions and actions of the PCC and his delivery of the priorities within the Police and Crime Prevention Plan.The Panel also meets specifically to consider the PCC's proposed annual precept and any proposed appointments to the roles of Chief Constable, Chief Executive and the PCC's Chief Finance Officer.

The Independent Advisory Group (IAG) and Youth Advisory Group (YAG)
The IAG and YAG provide the valuable role of critical friend to the police, not as an independent group but as a forum where independent advisors can give independent advice on the development and review of policy, procedure and practices identified by the police in partnership with them.

Citizens in Policing
The Constabulary's Citizens in Policing function oversees more than 38 different types of volunteer roles in the Constabulary, with the highest number of volunteers in the region, currently at 237. Effective use and inclusion was noted in the PEEL report.

Local Policing Surveys
Every year, the Constabulary consults with members of the public to gather opinions about the public's trust and confidence in the police. The survey is carried out randomly with members of the public who live within the county; are policed by Gloucestershire Constabulary; and who may or may not have had direct contact withthe Constabulary. The survey is used to gain a greater understanding of the public's perception ofthe police, to inform the Neighbourhood Policing plan, and gain a greater understanding of our communities. Results are distributed to senior officers and local Inspectors.

User Satisfaction Survey
Each month, a sample of victims of burglary, violent and hate crimes are invited to take part in a user satisfaction survey. This survey is conducted over the telephone, which asks victims to rate their satisfaction or dissatisfaction with various elements of the service they received, including: ease of contact, actions taken, follow up, treatment and overall service. It also invites respondents to suggest improvements, or to alert the organisation to failures

in service. The Constabulary also conducts surveys of victims of vehicle crime and Anti-social behaviour following their initial contact with the Force Control Room. The results are presented in various ways within the Organisation in order to monitor performance.

Safer Gloucestershire

Safer Gloucestershire is a body developed to enhance public safety in Gloucestershire. It calls on the expertise and leadership of senior managers from a range of agencies across the county, in accordance with the Crime and Disorder Act 1998. It works closely with the Police and Crime Commissioner, local authorities and other partnerships such as the Health and Well Being Board and the Youth Justice Partnership Board.

Gloucestershire Criminal Justice Board

Local Criminal Justice Boards (LCJB) are partnerships that bring together criminal justice leaders to maintain oversight of the system and promote a collaborative approach to addressing its challenges. Gloucestershire Local Criminal Justice Board is managed by Gloucestershire OPCC and chaired by myself. It has a number of delivery groups that have the overarching aim of reducing reoffending and improving the Criminal Justice System for victims

Communications and engagement

There are a number of ways in which the Constabulary and OPCC communicate with the public and stakeholders, including:

- The Single Online Home (SOH) website
- Media releases and updates
- Appeals for information
- Social media accounts
- News and information updates
- Your Community Alerts
- Campaigns and events
- The Constabulary has taken part in two televised documentaries during 2021/22
    - Reported Missing (BBC)
    - 999 After Dark (Channel Five)

Staff Survey

A staff survey is carried out by Durham University as part of a national arrangement. Introduced in 2014, the latest staff survey was open between April and June 2021. The results from the 2021 survey will continue to feed into the Constabulary's Supportive Leadership and Wellbeing programme and high level findings disseminated across the Organisation.

National police Wellbeing Survey

The third annual survey took place in November 2021. The survey is strongly supported by Gloucestershire Constabulary as it accords with the Chief Constable's first basecamp - Supportive Leadership and Wellbeing; but feedback from the survey will also help inform our work in respect to basecamp two (Standards Matter) and basecamp three (Better Together).

Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits

Police and Crime Prevention Plan
The Police and Crime Prevention Plan is set by the PCC, with the Chief Constable and the Constabulary having the main responsibility for delivering the outcomes within the Plan.

Medium Term Financial Plan (MTFP)
The Medium Term Financial Plan (MTFP) is developed jointly by the PCC and the Chief Constable and considers a four year planning horizon. It is reviewed regularly to ensure resources are available to progress the Police and Crime Plan and to ensure financial sustainability over the short and medium term. The 2021 HMICFR PEEL report expressed concerns about financial planning. Subsequently, compilation of the Medium Term Financial Plan and budget for 2022/23 enables financial sustainability. The plan incorporates the growth plan and reduces the medium term gap to £4.4m with a balanced budget in 2025/26. The MTFP has been clearly aligned to the priorities of PEEL recovery and is also reflected in the Police and Crime Prevention Plan published by the PCC. The Constabulary's new Corporate Strategy is ready for the new financial year and will be similarly sympathetic to these priorities.

Internal Audit
To ensure that all lessons were learned from the PEEL report in relation to the MTFP, an internal audit was commissioned from our audit partner, South West Audit Partnership (SWAP), around the methodologies used in the MTFP which was constructed through the autumn and winter of 2021/22. This provided a reasonable audit opinion on the updated methodology and approach.

Commissioner's Fund
The Commissioner's Fund supports activity towards delivery of the Plan's priorities, in the knowledge that the police cannot reduce crime on their own. More widely, the Plan promotes connecting communities with a view to the police and public using their collective assets and working together to bring about changes to make life better and make communities feel safer.

Environmental Standards

The Constabulary is fully committed to the protection of the environment and recognises the need for the principles of environmental management and sustainabledevelopment to become an integral part of day-to-day activities and future planning. To achieve this, the Constabulary has developed and implemented an environmental management system (EMS) externally audited against the ISO 14001 standard. It first achieved ISO 14001 certification in 2006 and the most recent recertification was achieved in January 2022. Each certification lasts for three years.

The carbon management plan is used to quantify carbon emissions and to identify and integrate energy and fuel saving projects into a clear strategy. The carbon management plan has been reviewed, updated and relaunched, using the baseline year 2016/17 with a view to the Constabulary meeting its environmental targets, not the least of which is to become a carbon neutral organisation by 2035. By reducing carbon emissions through saving energy the Constabulary can potentially realise significant cost savings, support the Government's drive towards a low carbon economy and contribute to the need to avoid climate change. Examples include opting for lower emission engines in our vehicles and pushing the technical boundaries of the electrification of our fleet where operationally viable. Through our approach to electrification, we already lead by example to influence partners and the public, with more than 21% of our fleet electrified. The Board of the South West Police Procurement Department (SWPPD) collaboration has agreed to implement the Sustainable Procurement Policy no later than the end of the 2022/23 financial year.

Collaboration and Partnerships

The OPCC and the Constabulary are committed to working collaboratively with others where this:

- supports the delivery of the Police and Crime Plan
- builds resilience, capability and capacity to provide the best possible overallservice to our communities
- enables longer-term operational effectiveness and economy through greater interoperability, integration and/or joint working of policing and public services
- achieves value for money through economies of scale, increased efficiency,greater effectiveness or improved potential for sustainable delivery.

In developing their significant partnerships, the OPCC and Constabulary ensured that they have inplace a framework that enables them to maximise the benefits from partnership working and that its risks are mitigated to an acceptable level. Statutory partnerships are subject to either contractual agreements or are governed by legislation.

Both the PCC and the Chief Constable are members of the South West Police Collaboration Strategic Board, with other PCCs and Chief Constables in the region.

In line with the expectations outlined in the Policing and Crime Act 2017, Gloucestershire Fire and Rescue Service, Gloucestershire County Council, the Constabulary and OPCC have recently reinstated the Emergency Services Collaboration Board, chaired by the PCC. The Board aims to explore mutually beneficial operational and strategic opportunities (particularly around prevention, training and facilities) that can be realised with greater collaboration between all blue light services.

Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes

Performance monitoring is undertaken through a series of boards and meetings which report into the Constabulary's Executive Board. In October 2021, a review of the performance boards was undertaken and the Chief Constable's Performance Board (CCPB) was introduced. The Operational Performance Board structure changed to include Accountability Reports from Force leads where performance issues require a deep dive review and to provide a mechanism for escalation for review at the Chief Constable's Performance Board.

To address findings in the 2021 HMICFRS PEEL inspection report, a monthly PEEL Recovery meeting and fortnightly PEEL Momentum meeting were instigated to oversee progress against the 'Causes of Concern. These receive updates from the Silver Project leads.

The Chief Constable reports significant performance issues to the monthly PCC's Governance Board and the PCC may request information on perceived performance issues to come to that meeting.

The Chief Constable holds weekly meetings with his Executive Board, supported by quarterly planning days.

As part of his 'holding to account' role, the PCC and the OPCC's Chief Executive have a weekly one to one meeting with the Chief Constable and his Chief of Staff. There are also regular meetings between the OPCC and the Executive Board.

Regular financial monitoring reports are presented to the Finance Panel. These reports monitor the progress of actual expenditure against budget and the projected outturn for the year. Regular reports are presented on the budget setting for the following year and the preparation of the next Medium Term Financial Plan.

In May 2022, the Chief Constable refreshed the Corporate Strategy so it properly and comprehensively reflected the new Police and Crime Prevention Plan. The Corporate Strategy acts as a conduit between the Police and Crime Prevention Plan and in turn, the Corporate Approach documents, departmental Business Plans and team and personal objectives. The Corporate Strategy also reflects the importance of linking our Force Management Statement (FMS) to our business planning cycle.

The Constabulary's structure works to keep people in Gloucestershire safe from harm through these areas:

- Crime Command: Forensic Services, Intelligence, Covert Policing, Special Branch, Serious Organised Crime, Local Investigations, Serious Crime, MajorCrime Investigation Team, Public Protection Unit and Multi-Agency Safeguarding Hub

- Local Policing: Criminal Justice, Custody, Neighbourhood Policing, Force Control Room, Community Harm Reduction, Operations Planning and Specialist Operations, Force Response Unit, Police Staff Volunteers, Police Volunteer Cadetsand Special Constabulary

- Enabling Services: Change Team, Communications and Engagement, Analysis Research and Planning. Digital and Data Services, Estates and Support Services, Finance and Procurement, Fleet and Transport Services,Governance and Compliance, Legal Services, People Services (includes training, learning and development).

- Professional Standards and Anti-Corruption.

Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it

The PCC and the Chief Constable recognise that people within the Organisation deliver their services, and to be effective in meeting the needs of Gloucestershire's communities, they must ensure that there are enough people with theright skills to meet changing demands. Officer recruitment took place again during 2021/22, building on the recruitment in 2020/21.

The increase in police officer numbers is due to both the national Uplift Funding, to recruit to the numbers seen nationally in 2010, and funding made available by the PCC to support his manifesto commitment to increase the numbers of Police Officers, PCSOs and Special Constables numbers over the term of his office:

In 2022/23 this will equate to:
- Crime Standards Bureau – 24 police staff
- Crime Standards Auditors – three police staff
- Force Control Room – 10 police staff.
- Specialist Investigators – 7 police staff
- Other Enabling Service Staff – 32 police staff.

The PCC has a staffing structure within the OPCC to ensure that it has the necessary capability and capacity to provide support to deliver his statutory functions, which includes commissioning services for victims and witnesses. The Chief Executive manages the OPCC and reviews the workload and capacity of the office.

The Constabulary has developed 'Our approach to people' based upon five strands:
- Supportive Leadership and Wellbeing
- Better Together – ensuring the team is diverse, representative and inclusive
- Workforce Development

- Recognition and appreciation
- An employer of choice.

The Organisation has made a commitment to all staff to make Supportive Leadershipand Wellbeing central to everything that it does:

- A Supportive Leadership course has been developed

- The Constabulary has a Wellbeing Board

- An external assistance programme, including counselling services, is provided for all officers and staff

- All officers and staff in the Constabulary and the OPCC have personal development reviews (PDRs).

Principle F - Managing risks and performance through robust internal control and strong public financial management

All strategic decision-making is carried out in accordance with the Corporate Governance Framework.

The main decision making meeting for the Constabulary is Constabulary's senior officers and the Chief Executive of the OPCC. The Board receives business cases for all projects initiating significant change and reports on the financial position of the organisation. These arrangements ensure that key decisions are taken at the appropriate level and are referred to the PCC when required.

The main decision making meeting for the PCC and anything considered 'novel, contentious or repercussive' for the Constabulary is the PCC's Governance Board. All significant decisions by the PCC are made at this meeting, and are recorded and published. At each meeting an update is provided by the Constabulary, including updates on performance in areas where issues have been identified.

The joint Finance Panel meets monthly and is attended by both Chief Finance Officers, the Deputy Chief Finance Officer, the Deputy Chief Constable and the Chief Executive. The meeting is held to discuss and review financial matters and financial decisions are referred to the PCC's Governance Board.

There are a number of Constabulary Boards that have aspects of performance included within their terms of reference, including:
- Chief Constable's Performance Board (CCPB)
- Operational Policing Board (OPB)
- Information Governance Board (IGB)
- Transformation Delivery Board (TDB)
- Demand, Efficiency, Change and Innovation Board (DECI).
- Strategic Development Forum (SDF).

- People Development Board (PDB).

Independent Joint Audit Committee
The PCC and the Chief Constable have a long standing, established Joint Audit Committee. The purpose of the Committee is to provide independent assurance to the PCC and the Chief Constable of the adequacy of the risk management framework and the associated control environment, and to provide independent scrutiny of the financial and non-financial performance to the extent that it affects exposure to risk and weakens the control environment. The Committee receives reports from the internal auditor and the external auditor, and other reports as required.

Financial management and control

Financial control has been maintained and operated in respect of the resources under the control of the PCC and the Chief Constable. The system of internal financial control provides assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or should be detected within a timely period.

The Organisation's financial management arrangements conform to the five principles in the CIPFA Statement on The Role of CFOs in Policing", March 2021:

1. The Chief Finance Officers of the PCC and of the Chief Constable are key members of the Leadership Team helping the Organisation to develop and implement strategy and to resource and deliver the PCC's strategic objectivessustainably and in the public interest

2. The Chief Finance Officers must be actively involved in, and able to bring influence to bear on, all material business decisions (subject to the operational responsibilities of the Chief Constable) to ensure immediate andlonger term implications, opportunities and risks are fully considered, and align with the overall financial strategy

3. The Chief Finance Officers must lead and encourage the promotion and delivery of good financial management so that public money is safeguardedat all times and used appropriately, economically, efficiently and effectively

4. The Chief Finance Officers must lead and direct a finance function that isresourced to be fit for purpose

5. The Chief Finance Officers must be professionally qualified and suitablyexperienced.

All relevant financial information held by the Constabulary is available to the Chief Finance Officer for the PCC and all significant decisions and commitments, with financial implications, are reported to the OPCC.

Risk Management Processes

Mechanisms for management of risk are embedded in the operational and organisational activities of the Organisation. The primary objective of the risk management process is to manage threats in a way that reduces the likelihood ofthem occurring and minimises their impact should they materialise.

The Strategic Risk Register is developed through the analysis of risks held on the Constabulary's, PCC's, departmental, operational and functional delivery plans. The Strategic Risk Register is presented for scrutiny at the Joint Audit Committee.

Financial risks over £25k and higher than amber RAG status are reported to the Strategic Performance Board and the PCC Governance Board.

The Risk Review Group, chaired by the Deputy Chief Constable, regularly considersthe Corporate Risk Register and high risks within the departmental risk registers.

There are seven significant risks on the Strategic Risk Register:

1. There is a risk relating to the disruption or loss of the Gloucestershire police network because of malware infection. This can lead to the loss or compromise of data or the denial of service (no network). Controls are in place to mitigate this risk. ICT keystone prioritisation approach approved by ICT Transformation Gold and ICT are now reprioritising all work accordingly, enabling categorisation in all service management tickets to ensure progress reporting to Gold/Silver

2. There is a risk that our Crime Data Integrity/VSA issues will cause reputational damage to the organisation. Specifically that by failing to record crime in an accurate, comprehensive and timely fashion the constabulary provides a poor victim service. Significant mitigation has been put in place, including the long term plan to solve this issue in a sustainable way is the implementation of the Crime Standards Bureau approved at Constabulary Governance Board in July 2021. All staff will be in place by June 2022. Improvement to compliance with the Victims Code of Practice (VCoP) is also expected to assist and is being undertaken in a phased approach. This includes automated VCoP performance dashboard and involves the development of a VCoP 'app' on officers hand held mobile devices, making it easier for them to record their activity

3. End of support for the Windows operating system in use on Force devices results in loss of support, security breach, and inability to run

Office 365 and associated applications. The risk remains, however has been greatly reduced by the replacement programme. The worldwide shortage of computer chips means the last few tranches of laptop issuing are at risk of not being delivered until the end of March 2022. This risk is being mitigated by asking colleagues to hand back the circa 100 unused/locked devices that are still with staff and officers

4. The Force Control Room (FCR) telephone system has faults which have the potential to miss calls or fail to record them. New equipment has been acquired and the system will be upgraded during the summer of 2021. Work underway to resolve the issues and upgrade the system is due to be completed the end of March 2022

5. There is a backlog in the processing of ViST forms (Vulnerability Identification Screen Tool), a form used to identify the vulnerability of victims, due to a lack of automation within VIST process, a lack of resource to support decision making and partnership working in areas of MARAC/Adults at Risk, backlog volumes become critical. A temporary staffing bank and overtime has been put in place to address the backlog. Further work is ongoing to find a long term solution, the backlog is slowly reducing

6. There was a Legal/Financial Claim against the Constabulary (and all Forces nationally) in relation to Pension Scheme discrimination on the grounds of age, equal pay, indirect race and sex discrimination. The Home Office have now published its remedy to the claim and the effect of this has been included in the accounts on the advice of the scheme actuaries. The Home Secretary was given authority by the Chief Constable of Gloucestershire Constabulary to negotiate a settlement of claims for the Leigh Day Claimants, on the basis that the Home Secretary would not seek any financial contribution from him to any settlement that was achieved. It is understood that the Home Secretary reached an agreement in principle for those Leigh Day claims that was favourable to the Chief Constable and that the settlement is near completion subject to final terms being agreed.

7. There is a risk that the budgeted assumptions for inflation made during the budget preparation period are exceeded by contract inflation actually charged during the year. This will lead to overspending the base budget by price before any increase in activity. A decision has been made to hold non-discretionary spend until the majority of price and pay inflation is agreed. Planning of how to deal with this will become a standing item on the Demand, Efficiency, Change and Innovation board.

Other Risk Management Practices

Risk Management processes are also embedded in the operational and organisational activities of the Organisation, including:

- Health and Safety Assessments
- Business Planning
- Environmental ISO14001 Assessment
- Insurance Policies
- Major projects, which use the Prince 2 project management methodology, and the associated risk assessment and management disciplines.

Principle G – Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The PCC and the Constabulary are committed to ensuring they are open and transparent in the way that they conduct business, and have effective workingrelationships with the internal auditor, the external auditor and HMICFRS.

Internal Audit

The South West Audit Partnership (SWAP) acts as the Organisation's internal auditors. The PCC and the Chief Constable commissioned the services of SWAP for 2021/22 and an annual plan was developed in conjunction with the Joint Independent Audit Committee to audit a range of business areas during the year. The reports from these audits were scrutinised at the Joint independent Audit Committee. COVID-19 has presented additional challenge, and in some cases our internal audittimetable has been delayed or deferred. We recognise the critical importance of thisfunction, and the progress of internal audit in the coming year will be monitored closely to ensure the impacts of COVID-19 do not have a permanently adverse effect. The Head of Internal Audit is required, under the Public Sector Internal Audit Standards (PSIAS) and linked in with the Chartered Institute of Internal Audit IPPF Standard 2450, to provide an annual opinion on the overall adequacy and effectiveness of the of the organisations' framework of governance, risk management and internal control.

The following Internal Audit Opinion was provided:

"On the basis of the assurance opinions resulting from Internal Audit work completed in 2021/22, and giving consideration to the adequacy and effectiveness of the wider governance and risk management arrangements at the Force and OPCC overall, I am pleased to be able to offer a **Reasonable** Annual Opinion. There are currently no significant issues that Internal Audit is aware of which would require inclusion within the Annual Governance Statement."

External Auditors

Grant Thornton is the independent external auditor for the PCC and the Chief Constable. Its work programme is set in accordance with the Code of Audit Practice and includes nationally prescribed and locally determined work. The Code requires the external auditor to give an opinion on the accounts of the PCC and the Chief Constable and to issue a value for money conclusion.

The value for money element of the audit of the 2020/21 accounts was signed off in April 2022, however Grant Thornton had provided an unqualified opinion in respect of the PCC's financial statements, including the group financial statements, and the Chief Constable's financial statements in October 2021. The format of the value for money opinion has now changed and accordingly the auditors made four key recommendations around Financial Sustainability and one improvement recommendation. They also made one key and two improvement recommendations around Governance. On the matter of Improving Economy, Efficiency and Effectiveness there were also one key and two improvement recommendations. Management accepted all the recommendations and laid out their plans to implement solutions in the Annual Audit Report published on the website in April 2022.
The External Audit of the 21/22 accounts will begin in August 2022.

Police Pensions Board

A South West Police Pension Board has been set up for the five forces in the region. The Board is established by the Scheme Managers (Chief Constables) for the five forces under the powers of Section 5 of the Public Service Pensions Act 2013 and has an independent chair. Its purpose is to assist Scheme Managers in their duty to ensure compliance with scheme regulations and the requirements of the Pensions Regulator. The Chief Finance Officer represents the Chief Constable and the PCC at the meeting.

HMICFRS Inspection Programme

Between November 2020 and June 2021, the Constabulary has been subject to the formal assessment part of the programme. The outcome of the inspection was published in a report in October 2021.

The Constabulary was assessed as:

Providing a Service to Victims of Crime		Inadequate
Engaging with and treating the public with fairness and respect		Good
Preventing Crime and Anti-Social Behaviour		Good
Responding to the Public		Inadequate
Investigating Crime		Inadequate
Protecting Vulnerable People		Inadequate
Managing Offenders and Suspects		Adequate
Disrupting Serious Organised Crime		Good
Meeting the Strategic Policing Requirement		Ungraded nationally
Protecting the Public Against Armed Threats		Ungraded nationally
How good is the force at building, developing and looking after its workforce		Good

and encouraging an ethical, lawful and inclusive workplace?		
How good is the force at planning and managing its organisation efficiently, making sure it achieves value for money, now and in the future?		Inadequate

During 2021/22, the Force was also inspected as a part of the below thematic inspection. Thematic reports are not graded by HMICFRS:

- COVID-19 Preparedness.
- COVID-19 Custody arrangements.
- Serious youth violence.
- Police Custody facilities in Gloucestershire.

4. REVIEW OF EFFECTIVENESS

The PCC and the Chief Constable have responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including the system of internal control. The review of effectiveness is informed by the work of senior officers and staff who have responsibility for the development and maintenance of the governance environment, the annual report from the Internal Auditor, and by comments made by the external auditors and other review agencies and inspectorates.

In compiling this statement, the PCC, the Chief Constable, the Chief Executive and the Chief Finance Officer are satisfied that the arrangements for governance, risk management and control are sufficient. However, it has been established that some of the meeting structures and work streams will be subject to review during the second half of 2022.

5. SIGNIFICANT GOVERNANCE ISSUES

It is considered that there are two significant control issues:

Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) 2021 PEEL Inspection findings

Following the PEEL HMICFRS inspection of 2021, the Constabulary was awarded five grades of inadequate, the lowest HMICFRS grade, against 10 areas inspected. This resulted in the Constabulary being placed under greater scrutiny by HMICFRS with enhanced levels of interaction and ongoing inspection. The key areas of concern primarily focused around crime recording, investigation standards, victim care, the force control room and some elements of strategic planning, including financial planning.

As the early findings of the PEEL inspection started to filter through to the Constabulary in May 2021, and then at a hot debrief in June 2021, the Chief Constable moved quickly to declare the situation a critical incident for the Force. In doing so, he abstracted a Detective Superintendent to work solely on the elements of this report linked to crime recording, victim service and investigation standards. That critical incident remains in place at the time of this letter.

More recently the Chief Constable has personally taken on responsibility for chairing the two most influential boards in driving recovery from the findings of the inspection. The PEEL Recovery Board and Chief Constable's Performance Board now meet on the same day on a monthly basis. Their relationship is important with one driving overall Constabulary performance understanding and improvement whilst the other focuses on the specific issues generated by the inspection with a number of strands including crime management and investigative standards, the Force Control Room, limited duties personnel and operation flex. The latter element is led by both the Constabulary's Assistant Chief Constables (ACCs) focused on short term measures to alleviate some of the pressures being created by the current demand on our services.

The Constabulary moved swiftly and decisively to address the findings of the inspection with many improvements either already in place or with planned activity in the months ahead.

On 4 February 2022, the Police and Crime Panel supported the PCC's proposal to increase the Precept by 3.6%. The investment will support the improvement work mentioned above and the PCC's manifesto commitments of:

- Putting more police on the streets
- Tackling anti-social behaviour
- Making it quicker and easier to contact the Constabulary in times of need
- Investing in the Citizens in Policing programme to build new links and partnerships within communities
- Innovating the use of the Special Constabulary and volunteer Police Community Support Officers to bring the best of volunteering into the emergency sector
- Continuing to support community projects aimed at reducing crime and anti-social behaviour through the Commissioner's Fund.

This equates to:

- Crime Standards Bureau – 24 police staff.
- Crime Standards Auditors – three police staff.
- Force Control Room – 10 police staff.
- Specialist investigators – 7 police staff.
- Other Enabling Services – 32 police staff.

In total, the growth the organisation expects to see will also include 105 officers and 230 volunteers.

Budget

The Finance team has engineered a new model to underpin the Medium Term Financial Plan (MTFP) and budget for 2022/23, which shows how the PCC's manifesto commitments can be substantially met during his period in office and still create medium term financial sustainability. The plan reduces the medium term gap to £4.4m with a balanced budget in 2025/26 and the Constabulary is working towards fully allocating those savings targets, having already delivered half of the savings required in the current financial year.

The MTFP has been aligned to the priorities of PEEL recovery and the Police and Crime Prevention Plan, and reflects the impact of the uplift programme throughout the organisation. It is the work of the Demand and Efficiency programme, data modelling and analysis, research and planning functions, to build a data model for demand which will deliver the answer to the workforce that we need. We will continue to build a better bridge between HR and Finance to ensure that workforce modelling ensures we have the right resources available to tackle the demand we face.

The Finance team itself will continue to grow in the coming months, adding to its professional and advisory team as well as systems support. These areas will provide the Organisation with better qualified and more available financial advice, and more ability to reshape financial reporting and deliver information in a way that meets customer need. The implementation of a digital overtime solution will release time and create efficiencies on the team that can be used to support budget holders with more information and deliver better quality forecasting, enabling the organisation to do better with the resources at its disposal and achieve better value for money.

R Hansen
Chief Constable of Gloucestershire

C Nelson
PCC of Gloucestershire

R Greenwood
Chief Executive

Date: 30 March 2023