



Nottinghamshire

POLICE & CRIME COMMISSIONER

DRAFT

GROUP

ANNUAL GOVERNANCE STATEMENT

2014-15

1. SCOPE OF RESPONSIBILITIES

- 1.1 The Nottinghamshire Police and Crime Commissioner (Commissioner) is responsible for ensuring that 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.
- 1.2 The Commissioner 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.
- 1.3 In discharging this overall responsibility the Commissioner is responsible for putting in place suitable arrangements for the governance of the organisations affairs, which facilitate the effective exercise of its functions and include arrangements for the management of risk.
- 1.4 The Commissioner has approved and adopted jointly with the Chief Constable a Joint Corporate Code of Governance, which is consistent with the principles of the CIPFA/SOLACE Framework: *Delivering Good Governance in Local Government*. A copy of our code is available on our website at www.nottinghamshire.pcc.police.uk or from:

The Nottinghamshire Office of the Police and Crime Commissioner
Arnot Hill House
Arnot Hill Park
Arnold
Nottinghamshire
NG5 6LU

This statement explains how we have followed the code and also meets the requirements of the Accounts and Audit (England) Regulations 2011.

- 1.5 Throughout this statement there are references made to other documents being available on the Commissioners website (or the website). This reference relates to the Police and Crime Commissioners website at the address given above.
- 1.6 The Police & Crime Commissioners financial management arrangements conform to the governance requirements of the CIPFA *Statement on the Role of the Chief Financial Officer in Local Government* (2010); as set out in the Application Note to *Delivering Good Governance in Local Government: Framework*.

2. THE AIM OF THE GOVERNANCE FRAMEWORK

- 2.1 The governance framework is basically the systems and processes, and the culture and values, we are controlled by and which we answer to, get involved with and lead the community. The framework allows us to monitor how we are achieving our long-term aims, and to consider whether our aims have helped us deliver appropriate services that are value for money.
- 2.2 The system of internal control is an important part of the framework and is designed to manage risk to a reasonable level. It cannot remove all risk of failing to achieve our policies and aims, so it can only offer reasonable protection. The system of internal control is based on an ongoing process designed to:
- Identify and prioritise risks that could prevent us from achieving our policies and aims;
 - Assess how likely it is that the identified risks will happen, and what will be the result if they did; and
 - Manage the risks efficiently, effectively and economically.

We have had a governance framework in place for the year ended the 31st March 2015 and up to the date of approval of the annual statement of accounts.

3. THE GOVERNANCE FRAMEWORK

Our governance framework is made up of many systems, policies, procedures and operations we have in place to do the following:

3.1 *Introduction*

The Police Reform and Social Responsibility Act 2011 (the Act) introduced one of the biggest changes in governance arrangements for policing. The Act created two legal entities, the Police and Crime Commissioner and the Chief Constable.

The Chief Constable retained the responsibility for operational policing whereas; the Commissioner has the responsibility for the totality of policing in the area. The Commissioners responsibilities were also extended to include crime prevention and the protection of vulnerable people and victims.

During 2014-15 the staff under the Chief Constables direction and control transferred to the Chief Constable from the Police and Crime Commissioner. This was not the only significant change during the year. The Commissioner was an early adopter under the Ministry of Justice funded Victims services and significant systems changes within the support services of Finance and Human Resources was also planned for so that full implementation of a Multi Force Shared service was operational from April 2015.

Full details on what has been achieved during the year will be published within the Annual Report and will be available on the website.

3.2 ***Publish our aims for local people and others who use our services***

The Commissioner has refreshed the Police and Crime Plan taking account of the feedback he has received during the year and the achievements that have been made. The plan sets out our priorities, focusing on achieving seven priorities which aim to make communities safer and place victims at the centre of what we do. The plan reflects the time period covered by the Medium Term Financial Plan (MTFP).

The Police and Crime Plan is based upon the following seven priorities:

1. Protect, support and respond to victims, witnesses and vulnerable people
2. Improve the efficiency, accessibility and effectiveness of the criminal justice process
3. Focus on ***priority crime types*** and those local areas that are most affected by crime and antisocial behaviour
4. Reduce the impact of drugs and alcohol on levels of crime and antisocial behaviour
5. Reduce the threat from organised crime
6. Prevention, early intervention and reduction in reoffending
7. Spending your money wisely

These priorities build upon the Commissioners vision of giving victims and citizens a bigger voice in policing to achieve a safer Nottingham and Nottinghamshire.

The plan was built and refreshed after listening to members of the public and with our partners. It includes a review of each organisations strategic assessment, incorporating regional and national requirements in relation to policing and crime. The performance measures and targets within the plan have all been agreed with partners and the force.

For the plan next year we are already working with partners to further develop a Police and Crime Needs Assessment which will refresh the Joint Partnership Strategic Assessment, aiming to maximise analytical capacity, minimise duplication and share learning, good practice and innovation across the City and County. This will provide a comprehensive threat, risk and harm assessment, which will identify local consultation and engagement and improve the identification of need across the Commissioners priorities.

3.3 *Review our aims and the effect they have on our governance arrangements*

We have worked hard to communicate (and receive feedback on) our aims for the community. We have done this a number of ways, including:

- The Commissioner listened to the public during his attendance at partner meetings and his walkabouts within the City and County. But he has not made decisions based upon public need alone. For example the financial pressure on the service has meant that continued increase in Police officer numbers is no longer possible. However, the increase made up to and including 2014-15 has meant that the future reductions will not have as hard and impact as they might have had.
- The review work put in place by the Commissioner has continued to have a positive effect on achieving priorities within the Police & Crime plan - such as a review of BME Recruitment and Retention, Base Budget Review, Domestic Violence, Restorative Justice, a Victim Consortium to inform the commissioning strategy and Alcohol.
- The learning from the Base Budget Review has also influenced work at a regional level where the Commissioner chairs the Regional Efficiency Board.
- Following on from the work of the BME Steering Group a specific recruitment drive was put in place for BME communities this resulted in a significant increase in BME Police officer recruitment (i.e. from 4.69% in 2013 to 15.62% in 2014).
- Domestic violence been jointly tendered for within the County and the Deputy Commissioner has been influential in ensuring the best service possible for victims. The City is also jointly tendering for this service during 2015-16.
- An Alcohol Strategy has been developed with partners and is being delivered. Further detail is provided later in this paper.

- Alcohol and drug treatment provision has been tendered for in the County, with the City tendering for Alcohol treatment provision from the same date. This is being provided in custody and criminal justice settings and is part funded by the Commissioners Community Safety fund.

However, this is not all - since coming into post the Commissioner has listened to partners, the public and the force on what are emerging issues and started working with people on areas such as:

- **CCTV Taxi voluntary scheme:** Following extensive partnership working and negotiations throughout 2013-14, the CCTV Taxi voluntary scheme was launched in June 2014. The Commissioner provided £98k funding for a voluntary scheme which would enable 100 Hackney Taxis to be fitted with CCTV to provide assurance to those using taxis and the drivers themselves.
- **Crime Reduction Initiative:** has been awarded the contract for the provision of substance misuse services in the County. Following a period of mobilisation after award of contract in October 2014, the service is being embedded across the County. Progress is reviewed in quarterly contract review meetings with Public Health and CRI.
- **Alcohol Strategy:** Both the County and City lead Officers are working hard to deliver the action points in the strategy which the Commissioner's Office (NOPCC) is monitoring. The Plan is progressing with key achievements which include: Best Bar None, Purple Flag, the Drink Aware Project and Operation Promote. There is further work being developed with Bassetlaw and Newark to improve information sharing.
- **The Alcohol Strategy and Action Plan:** Additional developments will incorporate the potential pilot of Alcohol Concern's Blue-light project, further development of the Drinkaware project and continuing the achievements made by the Local Alcohol Action Areas in both the City and County.
- **Mental Health issues:** The Mental Health Crisis Concordat Conference was held on the 25 September 2014 in collaboration with the Clinical Commissioning Group(s) (CCGs). A key priority area was to address the use of Section 136 of the Mental Health Act 1983. An Action Plan is due to follow and will be put together over the next quarter, including the actions to reduce the use of Section 136.

- **A Crisis Concordat action plan:** has been developed and was submitted to the national Crisis Concordat team in March 2015. The action plan will be implemented from April 2015 onwards. There is a clear priority within the plan to reduce the use of Section 136 for both adults and children. A target has been set that there will be no further inappropriate detentions of under 18s from April 2015, and from October 2015, no further inappropriate detentions of adults.
 - **New and Emerging Community's Project:** The Commissioner has led a 'European Migration Seminar: New and Emerging Communities. This seminar provided an opportunity to discuss those issues that stakeholders and partners understand as the challenges in the way we currently deliver services and help identify ways to improve policies and operational changes. The Commissioner has commissioned work through Nottingham University to undertake research to better understand new and emerging communities.
 - **Better Policing Collaborative:** The East Midlands now has the most substantial police collaboration programme of any region in England and Wales, combining innovative yet practical approaches to policing to make the entire region a safer place to live, work and visit in spite of significant financial challenges for the service. There will be the identification of further research working within the 'Better Policing Collaborative', which the Commissioner is a member, and which has received College of Policing innovation funding for academics to work with operational areas to develop innovation and improve effectiveness of service delivery.
- The Commissioner and Deputy Commissioner have continued to attend meetings with community groups across the City and County and many public events. This work is informing them of the priorities they are implementing in the refreshed police and crime plan update.
 - Focus groups were held with ASB victims and members of the public in relation to the refreshed Police and Crime Plan priorities and the precept.
 - The Commissioner's on-line survey was used for consulting on the precept and provided a supporting video on the Police's Delivering the Future proposals.

- There have also been consultant led focus groups, one in the Nottingham (City), one in the North Nottinghamshire (Worksop), one in South Nottinghamshire (Bingham), one with women and one with members of the BME community.
- Evidence has been collected through the Nottinghamshire County Council Annual residents Satisfaction Survey 2014 and the Nottingham City Council and the City's Crime and Drugs Partnership Annual Respect Survey on the policing and crime priorities and the precept.
- There is also an academic led research project utilising telephone surveys for the Nottinghamshire Safer Neighbourhood Board's Partnership Plus Areas.
- An on-line survey was used for consulting on the precept and a telephone survey was undertaken in relation to the plan and the precept.
- The Commissioner and Deputy Commissioner have held discussion groups and web chats with young people and undertaken patch walks across the City and County.
- The Commissioner and the Office of the Police and Crime Commissioner (OPCC) staff have attended events across the City and County. These events were used to canvass opinion in relation to the budget and general issues relating to policing.

We use feedback that we receive from all sources to help inform decisions. Feedback that the Commissioner received during the public events, meetings and walkabouts resulted in us reviewing our outcomes, which reflect our communities' top priorities of improving antisocial behaviour, supporting our vulnerable people and victims of crime and increasing community safety.

3.4 ***Measure the quality of our services and make sure we provide them in line with our aims and that they provide value for money***

The Commissioner is provided with weekly briefings on performance and formally holds the Chief Constable to account for performance in the Strategic Resources and Performance meetings, that are held in public venues around the County and City.

The Commissioner is also briefed on a monthly basis on expenditure against the budget. The Chief Finance Officer to the Commissioner also advises on any changes and emerging issues that could impact on the Medium Term Financial Plan.

In addition to the Strategic Resources and Performance meetings the Joint Audit and Scrutiny Committee receives updates on performance and financial monitoring and the Police and Crime Panel receive update reports from the Commissioner. Public Stakeholder meetings have also been held in the City and the County.

The Commissioner has instigated several pieces of review/scrutiny work, drawing on professionals in the field and community representation. Such areas of work under review include:

- A new restorative justice provider, called 'Remedi' has been appointed by the Commissioner to provide, restorative justice interventions for victims for the period from February 2015 to March 2016. Staff recruitment and training, information sharing protocols, office set up and case transfer have all been completed by end of March. First meeting of the Nottinghamshire Restorative Strategy is to take place in early April 2015.
- Vulnerable People – the street triage team, supported by the Commissioner, continues to deliver exceptional results and the number of non-crime related arrests under section 136 have more than halved since its introduction.
- Restorative Justice (RJ) – The Commissioner has appointed restorative justice specialist 'Remedi' to provide RJ interventions from February 2015 to March 2016.
- The reports from these pieces of work will continue to be presented to the Audit and Scrutiny Panel and the recommendations will continue to be monitored by the Panel. Progress on these reviews is also reported to the Police and Crime Panel.

3.5 ***Ensuring a High Quality Service***

The Police and Crime Plan is based upon the Commissioners values which are:

- V**ictims - by listening and taking action to protect and safeguard vulnerable people.
- O**penness- by putting victims and public at the heart of open and transparent decision-making.
- I**nclusiveness- by working effectively with communities and business to tackle crime and anti social behaviour.
- C**ommunities - by ensuring fairness, respect and accountability to victims and communities.
- E**mpowering - by engaging with victims and communities to help shape policing services and building partnerships.

The Plan itself incorporates global, national, regional and local requirements into the seven priorities and details how these will be met, measured and monitored. Specific targets for the Force and partners are included in this and the overall measure of success will be the improvement in victim satisfaction and public confidence.

Each year the Commissioner will produce an Annual Report detailing how well performance against the plan is progressing. A copy of the Annual Report is available on the Commissioners website.

In addition to this is the role of the Police and Crime Panel. The Commissioner is held to account by this panel, which also has power to veto the precept and the appointment of a new Chief Constable. This panel is administered by the County Council and its terms of reference can be found on Nottinghamshire County Councils website.

3.6 ***Ensuring Value for Money***

In times of austerity there is a great deal of focus on the “money” and how it is being spent. Following the Base Budget review in 2013 the Commissioner successfully challenged the regional budget managers to deliver further savings to their own budget areas. This means that no budget is protected; each element of expenditure must demonstrate that it is being used in the achievement of the police and crime plan and in doing this is the work being done at the most economic level.

The Commissioner has also commissioned specific pieces of work with partners and the third sector. Each commissioning agreement requires performance details and achievement goals. Similarly, the grant monies that are being allocated to community groups and the third sector also have a requirement to achieve performance aims linked to the Police and Crime Plan. The Commissioner was also the Regional Chair from 1st April 2014 on the PCC Board, which; ensures regional activities continue to drive out further savings and improved working over the medium term financial period.

The joint audit and scrutiny panel receive audit reports, update reports and the strategic risk register. These reports enable the panel to challenge the OPCC and the Force on ensuring value for money across all activities. The terms of reference for the Joint Audit and Scrutiny Panel, together with all reports and minutes are available on the website.

3.7 ***Working Together***

As has been reported in previous sections the Commissioner is listening to victims, communities and partners and this is at the heart of how he does business. He is involving people from across these areas to develop and work with him in bringing about improvements.

Each partnership, commissioning agreement, grant agreement and review has terms of reference linked to the clear achievement of the police and crime plan priorities. These agreements clearly define the responsibility of each participant.

Regionally the five PCC's and forces collaborate to ensure resilience and deliver value for money. This is done under Section 22 agreements.

In addition to the collaborations already in place the region has been successful in obtaining innovation funding from the HO for projects such as Body Worn Video, Virtual Courts, Interoperable Crime and Justice Platform and Rapid DNA technology.

Funding awarded in 2014-15 is worth more than £4.1m.

The “Act” required PCC’s to put a Scheme of Delegation in place to ensure the business continued to run smoothly. There was one significant change relating to this in that delegations could no longer be made to the Chief Constable (or any constable) and therefore have been made to specific members of staff employed by the Commissioner, but some of whom are under the direction and control of the Chief Constable. The Scheme of Delegation is approved and operating effectively. The Scheme of Delegation is available on the Commissioners website.

The OPCC and Force also have a Working Relationship Agreement, bringing clarity to the services required by the OPCC from functions under the Chief Constable’s direction and control. The Working Relationship Agreement is available on the Commissioners website.

The work that had been done prior to 2014 ensured a smooth transition under the stage 2 transfer from “the Act”.

3.8 ***Ensuring High Standards of Conduct and Behaviour***

There are a number of ways that this is achieved:

- The Commissioner, Deputy Commissioner, Chief Executive and Chief Finance Officer have published declarations of interest on the OPCC website.
- Details of salaries and expenses claimed are also published on the website.
- A gifts and hospitality register is in place for all staff and members of the OPCC to record details of all offers made and this is reviewed annually.
- Members of the Joint Audit and Scrutiny Panel and staff attending the Strategic Resources and Performance meeting are required to make declarations of interest where appropriate and that these are formally minuted.

- Professional bodies codes of conduct, that staff have to comply with (e.g. Chartered Institute of Public Finance and Accountancy) are part of what we do.
- A Complaints Procedure is in place for complaints against the Commissioner, Deputy Commissioner, staff and members in the OPCC and the Chief Constable.
- An Anti-Fraud and Anti-Corruption Policy is in place and reported on together with fraud returns annually to the Audit Commission.
- Financial Regulations are in place together with standing orders for Land and Property and Contracts.
- The Commissioner and Deputy Commissioners Code of Ethics.

All of the above together with other policies and the culture of working in the OPCC ensure the high standards of conduct and behaviour are achieved.

3.9 ***Decision Making Transparency***

All decisions not specifically delegated are made by the Commissioner. There are two ways in which decisions can be made, either:

1. In a public meeting of Strategic Resources and Performance, where minutes are taken recording decisions made. These minutes are published on the website.
2. In day-to-day management activity by the Commissioner. This is done by a report with any required supporting information and Executive Decision Record being completed and submitted to the Commissioner. Once approved the decision record is published on the website.

The Commissioner refers to the professional officers within the OPCC to inform him on the decisions being made.

The role of the Joint Audit and Scrutiny Panel also ensures transparency in the decisions made. It receives reports and can make recommendations to the Commissioner on issues relating to audit and inspection, risk management, recommendations from other sources such as scrutiny working groups and governance.

The strategic risks of the OPCC are incorporated in the joint strategic risk register that is reported regularly to the Joint Audit and Scrutiny Panel. All significant public interest decisions are published on the Commissioners website.

3.10 ***Developing Capacity and Capability***

Staff within the OPCC were directly transferred from the former Police Authority, bringing those skills with them. This structure was reviewed in 2013-14 and will continue to be assessed to ensure that the best possible service will continue to be provided.

The joint authorities CIPFA Graduate Trainee scheme has been seen as an international success and is being rolled out in Australia, Canada and other parts of the UK.

Members of the Joint Audit and Scrutiny Panel have undertaken training within the OPCC and Force during the year. Internal audit and external audit have also provided training on their roles and the roles of the members in providing an effective Audit Panel. CIPFA provided their training course to members in the region in September 2013.

3.11 ***Engagement***

Throughout the previous sections you will have seen that engagement with people in our communities, in business, in third sector organisations, in partners and in our own staff and police officers is very important to us.

We are constantly striving to ensure inclusion of all stakeholders especially in driving improvement in community safety that is important to you.

We encourage you to complete our surveys and questionnaires which we have available at public events and on line.

The Commissioner has met his commitment to establishing two Public Stakeholder Forums to allow stakeholders to have a direct influence and voice over policing priorities and how resources are allocated.

How the Commissioner proposes to engage with the public and victims of crime is set out in the published Community Engagement and Consultation Strategy. This document can be found on the Commissioners website.

3.12 OTHER ACHIEVEMENTS DURING THE YEAR:

- **The Policing Estate:** in partnership with Nottingham City Council a new City policing base is being created at Byron House. This will also include the City's Community's protection team under the Auroa II partnership.

This partnership working will also deliver significant revenue savings.

Further consultation and work is ongoing in relation to Sneinton, Meadow, Eastwood and Mansfield Woodhouse.

Co-location proposals are being developed for Retford. This follows successful arrangements in West Bridgford and Beeston.

- **Rural Crime Focus:** the Commissioner has hosted a meeting to highlight issues of rural and wildlife crime – with a commitment to tackle this issue. He supports the need for dedicated officers to tackle rural and wildlife crime and a conference is being planned for later in 2015.
- **PCSO Powers:** The Commissioner initiated the Home Office rethink on PCSO powers and changes were made within the Anti-social Behaviour, Crime and Policing Act 2014.
- **Victims Code:** The Commissioner and Deputy Commissioner have been influential in identifying the gaps in compliance with the code and ensuring that the Force delivers an action plan to address these gaps.
- **Mental Health:** The Commissioner, with the Nottingham Clinical Commissioners Group, has led the response to the Mental Health Concordate and Partnership commitment to implement the national action plan. Alongside the Chief Constable he has made a commitment that no young people or adults will be detained in custody as a place of safety from October 2015.
- **Armed Services Veterans:** Nottinghamshire leads the way on identifying veterans with mental health issues that may related to PTSS to ensure the right support is given.
- **The living wage accreditation:** Nottinghamshire Police was to be the first police force in England and Wales to sign up to a national campaign calling for all workers to be paid an hourly rate that matches the cost of living. The new Living Wage is £7.65 per hour, which is significantly higher than the Minimum Wage, which is £6.31.

4. REVIEW OF EFFECTIVENESS

- 4.1 The OPCC has responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including:
- The system of internal audit.
 - The system of internal control.

The review by the OPCC has two elements to it. Firstly, it has to be satisfied that the process put in place by the Chief Constable for the force's assurance review is adequate and reliable. This was done through a joint consultation early in the review process.

Secondly, is the process upon which the OPCC can rely. This consists of obtaining individual assurances from the Chief Constable, the ACO Resources, the Chief Executive and the Chief Finance Officer, together with the annual assurance provided by the internal auditors and regional Deputy Chief Constable. These assurances form the basis of assessing whether governance is operating effectively and that controls which are in place are being adhered to.

- 4.2 The comments made on the assurance forms are incorporated where applicable in the accounts and action plans. For example contingent liabilities and accruals have been made where appropriate.
- 4.3 In addition to this a review based upon the use of resources self assessment principles and the schedule provided in the CIPFA/SOLACE framework has been developed and completed. This provides links to documentary evidence to support this statement and has been provided to the external auditor for their review.
- 4.3 The Chief Finance Officer has had responsibility for reviewing and updating the Scheme of Delegation and Financial Regulations, during the year, to ensure they were fit for purpose and met the new requirements of the Act. The reviewed delegation and regulations have been approved by the Commissioner. These have been reviewed further by the Chief Finance Officer with the Chief Executive and the Deputy Chief Constable.
- 4.4 The internal auditors produce reports for the Joint Audit and Scrutiny Panel throughout the year and use this work to inform their annual assurance opinion in their annual report. For 2014-15 they have rated the assurance level as adequate. The internal audit annual report will be available on the website under the Audit and Scrutiny Panel meeting papers for June 2015.

- 4.5 The work of the HMIC is also reported to the Joint Audit and Scrutiny Panel and the Force produce regular reports to the panel on the implementation of all audit and inspection recommendations. The Audit and Scrutiny Panel papers on the website include as a standing item a report on all audit and inspection report recommendations, which includes a tracker for their implementation.
- 4.6 Internal Audit verifies the implementation of all audit and inspection recommendations in their follow-up audits during the year. The results of the follow-up audit are reported in the Internal Audit Progress Reports to the Audit and Scrutiny panel.
- 4.7 Other assurance mechanisms include the Regional meeting of Commissioners and Chief Constables and the Police and Crime Panel.
- 4.8 There are areas to monitor further, which include the development and delivery of the Forces efficiency savings, which form part of the HMIC inspection regime, under Valuing the Police.
- 4.9 There will be further challenges and opportunities for partnership and community working for the Commissioner with the introduction of the Anti-Social Behaviour, Crime and Policing Act 2014, particularly around the need to consult on Community Triggers and Community Remedies.
- 4.10 Effectiveness of victims' services will transfer to the Commissioner from October 2014. As an early adopter, the Commissioner has in place an Integrated Victims Services Programme Board to manage the interoperability and delivery of services to victims.
- 4.11 The effectiveness of the Strategic Policing Requirement will be monitored by the use of a Strategic Toolkit produced by the College of Policing, and will form part of the assurance processes of the Joint Audit and Scrutiny Panel.
- 4.12 During 2014-15 the National Audit Office also undertook a review aimed at the role and support of the Home Office, where Nottinghamshire was one of the pilot OPCC's included in the review. This report is due to be published in June 2015.

5. SIGNIFICANT GOVERNANCE ISSUES

FINANCIAL CLIMATE

- 5.1 The Comprehensive Spending Review (CSR) announced in December 2014 confirmed a further 20% at least of cuts up to 2019. An in year budget is to be announced in July 2015 which is expected to bring further cuts and probably in year cuts to the grant funding. The next CSR is expected in the Autumn and it is anticipated that the new Government will be front loading the cuts required.
- 5.2 To date the Force has delivered savings on average of £10m per annum. The Medium Term Plan sees this continuing up to 2020 at least. Savings of £11.0m have to be achieved in 2015-16 and for 2016-17 this increases to £14.7m.
- 5.3 The achievement of the savings is getting harder year on year. In 2014-15 an additional £2.2m from reserves was required to deliver a balanced budget by the end of the year, making up for the shortfall on the savings target.
- 5.4 The Medium Term Financial Plan is approved by the Commissioner in February and is available on the website. It is updated during the year as significant changes emerge. These updates are also available on the website.
- 5.5 There are further risks that could impact on the above estimates for example the impact of the Single Rate Pension from April 2016 this is likely to result in an additional cost of £3.5m in the budget.
- 5.6 We are also limited in any other mitigation that we could take. Council Tax referendum limits are being set low and the freeze grant ceases in 2015-16.
- 5.7 We are further impacted by the localisation of council tax – the billing authorities in response to the Governments limited delegation, have made decisions that have significantly reduced the tax base estimates and therefore the amount to be raised through the precept. Similarly any further change to Partners funding is likely to have an impact on the Police and Crime budget or service delivery.
- 5.8 Whilst funding continues to reduce it is imperative that good governance structures and processes continue to operate in the OPCC and Force.

PERFORMANCE

- 5.9 During 2014-15, crime increased by 5.8% and ASB increased by 6.5%. However, since 2011-12 there have been 3,019 fewer incidents of ASB (-33.6%) and 4,962 less crimes (-6.4%).
- 5.10 Details on performance and the improvements made are reported to the Strategic Resources and Performance meeting as a standing item on the agenda. Performance details are also provided in the Commissioners update report which is reported to the Police and Crime Panel and the Audit and Scrutiny Panel. These are also available on the website and Nottinghamshire County Councils website. The Commissioner has weekly bi-lateral meetings with the Chief Constable to review performance.
- 5.11 The continued reduction in funding is now impacting on the number of Police Officers and PCSO's that we will be able to retain. To mitigate the impact on performance the force are in the process of delivering a redesigned police service, where non-warranted roles are being undertaken by civilians.

HUMAN RESOURCES

- 5.12 The Target Operating Model is developing a picture of what the Force will look like in 2020 as funding reduces year on year. One major change will be to the way of working and therefore the workforce mix and numbers of officers and staff will change.
- 5.13 BME recruitment and retention to reflect the communities of Nottinghamshire will continue to be a cause for concern and the force positive action campaigns' will continue to be reviewed. The work to date has resulted in an increase of BME Police Officer recruitment (from 4.69% in 2013 to 15.62% in 2014).
- 5.14 A contingent liability has been identified within the statement of accounts relating to the application of regulations A19 during 2011-12. The full cost of this is unknown as each individual case has to be assessed and could take a few years to complete.

STAGE 2 TRANSITION

- 5.15 This has been successfully managed and the changes implemented.

INFORMATION GOVERNANCE

- 5.16 The arrangements for information governance need to provide the assurance needed by the Commissioner. This particularly relates to the unauthorised use of force data and the need for information sharing protocols to be standardised for partner organisations.
- 5.17 The Information Sharing Protocol between the Force and the Commissioner is in place.

FINDINGS FROM INTERNAL AUDIT AND OTHER EXTERNAL REVIEWS

Internal Audit

- 5.18 During the year Internal Audit has issued two “Red” Audit Reports and two high “Amber” reports, for partnerships, Code of Practice for Victims, Volunteering and Grants – Preventing Demand. Action plans are being put in place to address these issues as a priority.
- 5.19 The Force has also highlighted significant issues raised by the Internal Auditors, within the Information Management Audit Report, within its Annual Governance Statement and the plans to address this issue.

National Audit Office (NAO)

- 5.20 Nottinghamshire was one of the pilot authorities consulted in the NAO’s review of the Home Office (HO). This report is due to be issued on 4th June and contains recommendations for all organisations working within the policing service (HO, College of Policing, CIPFA, Forces).
- 5.21 The most significant finding of the NAO is the lack of understanding demand at local levels and what drives this demand. There are examples of good practice in some areas which we should learn from.
- 5.22 The HO’s lack of understanding of how its decisions impact at a local level is also highlighted within the report.

Her Majesty's Inspectorate of the Constabulary (HMIC)

5.23 During 2014/15 there have been 4 HMIC inspections which have identified significant governance issues for the force. These are:

- Valuing the Police
- Crime Inspection
- National Child Protection Inspection
- Police Integrity and Corruption

The Annual Governance Statement of the Force details the significant issues and action being taken to address them.



ANNUAL ASSURANCE STATEMENT

2014-15

SIGNED:

**Mr Paddy Tipping
Police and Crime Commissioner
08 September 2015**

**Mr Kevin Dennis
Chief Executive - OPCC
08 September 2015**

**Mrs Charlotte Radford
Chief Finance Officer – OPCC
08 September 2015**