Annual Governance Statement

Position as at 31st March 2016 including plans for the financial year 2016/17.

1. Scope of Responsibility

1.1 Following the introduction of the Police Reform and Social Responsibility Act (2011) the position of Chief Constable has been established as a Corporation Sole. For the purposes of this document the terms Chief Constable, the Force and Cleveland Police should be read as one and the same.

1.2 The Chief Constable is responsible for ensuring Force business is conducted in accordance with the financial governance arrangements outlined in The Financial Management Code of Practice for the Police Service of England and Wales (2013). The Chief Constable also has a statutory duty to secure value for money in the use of public funds.

1.3 In discharging this overall responsibility, the Chief Constable is responsible for putting in place proper arrangements for the governance of the organisation, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

1.4 Cleveland Police has an established Corporate Governance Framework through which the Chief Constable can be assured that the Force's systems, policies and people are focused in a way that is driving the delivery of agreed priorities. Along with focus on key risks to the delivery of those priorities the governance framework also provides assurance that the Force operates in an efficient and effective manner.

1.5 This statement meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

2. The Purpose of the Governance Framework

2.1 The governance framework comprises the culture, values systems, processes and assurance framework by which the Force is directed and controlled and the activities through which it accounts to, engages with and leads its community. It enables the Force to monitor the achievement of its priorities and to consider whether they have led to the delivery of efficient and effective services.

2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve

policies, aims and objectives and can therefore only provide reasonable and not 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 the Cleveland Police's priorities, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively, and economically.

2.3 This governance framework has been in place at Cleveland Police for the year ended 31st March 2016.

3. The Governance Framework

3.1 The Force has a joint corporate governance framework with the Police and Crime Commissioner (PCC) for Cleveland. The framework sets out the way that the two organisations, the Police and Crime Commissioner and the Chief Constable, govern, both jointly and separately. The framework also details the delegations and consents from the PCC to the Force, and outlines the specific roles and responsibilities of officers.

3.2 The Chief Constable is responsible for the delivery of operational policing, the direction and control of police personnel, and for putting in place proper arrangements for the governance of the Force. The Chief Constable also has a statutory duty under section 35 of Police Reform and Social Responsibility Act (2011) to secure that they and the persons under their direction and control secure good value for money in exercising their functions.

3.3 The Police and Crime Commissioner (PCC) for Cleveland is responsible for ensuring that the Chief Constable delivers an efficient and effective police force and holds the Chief Constable to account for the operational delivery of policing.

3.4 In addition to the Annual Governance Statement (AGS) for Cleveland Police, the PCC is also required to produce an AGS. The two AGS's complement each other by:

- outlining the key methods of assurance which operate in each body to ensure that, overall effective control is exercised
- showing which key documents/reports of Cleveland Police are scrutinised by the PCC as part of wider accountability
- demonstrating how the policing elements of the Police & Crime Plan are delivered by Cleveland Police and are underpinned by public consultation on the part of the PCC as part of wider accountability

Both the PCC and Cleveland Police must produce separate accounts which are then consolidated into group accounts. This ensures that both individual and collective financial stewardship of public money is effective and is underpinned by annual external audit. In addition, the PCC is required to approve the Force's budget each year in consultation with the Chief Constable

3.5 This Annual Governance Statement provides a summary of the extent to which the Force meets the six principles of good governance as identified in revised *Delivering Good Governance in Local Government: Guidance Note for Police (2012)*.

3.6 The six principles of good governance are:

1. Focusing on the purpose of the PCC and the Force, and on outcomes for the community, and creating and implementing a vision for the local area.
2. Leaders, officers and partners working together to achieve a common purpose with clearly defined functions and roles
3. Promoting values for the PCC and the Force and demonstrating the values of good governance through upholding high standards of conduct and behaviour
4. Taking informed and transparent decisions which are the subject to effective scrutiny and managing risk
5. Developing the capacity and capability of the PCC and the Force to be effective
6. Engaging with local people and other stakeholders to ensure robust public accountability.

4. Principle 1 - Focusing on the purpose of the PCC and the Force, and on outcomes for the community, and creating and implementing a vision for the local area

4.1 The Force has a vision following a force wide consultation process. The Force has three values: integrity, benevolence and service which are in line with the nine policing principles identified in the Code of Ethics, and the Policing Performance Assessment Framework (PPAF). The values are used, along with the Code of Ethics, to underpin our working practices and decision making.

4.2 The National Decision Model uses the Code of Ethics and Force's values as the core of the decision making process, ensuring they are at the heart of every decision made.

4.3 The Force sets priorities to deliver the policing elements of the Police and Crime Plan and the Force's organisational development activity. The priorities are set in consultation with Operational Commanders and Senior Managers following consideration of the threat and risk to the community, their views on local priorities and the aspirations of our partner agencies.

4.4 The Force has an agreed approach that will be taken to develop the organisation over the next four years. A key priority for the Force has been the development of a sustainable service model that can effectively respond to threat, harm and risk and bring about safer and stronger communities. This was shaped by the Force strategic five year position paper: 'Towards 2020' which clearly sets out the future shape of the organisation as being: Local Policing; Operational Collaboration, and Enabling Services. This reshaping is aligned to our Strategic Threat & Risk Analysis (STRA) and demand profile (including alternative approaches to dealing with or reducing demand) which directs focus into those areas of policing that require emphasis.

4.5 During the year, the Force commissioned the Business Transformation Unit to undertake reviews of three areas that form part of 'Local Policing':

- Neighbourhood Policing – supporting and strengthening our communities by delivering prevent and problem solving where it is most needed;

- Protecting Vulnerable People – being the best we can be in protecting vulnerable people from harm and preventing others from coming to harm
- Incident Response Teams – being in the right place, with the right skills in the right numbers when our communities need us to intervene in crime and disorder and protect them from harm.

4.6 The Force is now implementing the recommendations emanating from these reviews, and it is anticipated that the implementation will take 6 months. The Chief Constable believes that this reconfiguration as part of local policing will enable Cleveland Police to deliver the right balance of protect, intervene and prevent and enables the Force to:

- better protect vulnerable people from harm and preventing others from coming to harm
- be in the right place, with the right skills in the right numbers when our communities need us to intervene in crime and disorder
- deliver prevention and problem solving where it is most needed

4.7 A robust performance framework ensures that the Chief Constable is kept informed of achievement against operational delivery, the management of resources and financial performance. Members of the Force Executive have specific areas of responsibility, including key elements of the internal control environment. Executive Officers attend the PCC's Scrutiny Meetings whose remits cover their areas of responsibility to present reports and answer questions on behalf of the Chief Constable. The work of the Force Executive is supported by Operational Commands and Service Units. The Police and Crime Commissioner scrutinises Force performance by attending the quarterly Strategic Performance Group meeting, and at the quarterly Performance Scrutiny meeting. The PCC also has a standing invitation to attend the monthly Tactical Performance Group, meeting chaired by the Assistant Chief Constable (ACC), in order that he can be sighted on developing themes and the force response to them.

4.8 The Statement of Accounts 2014/15 was produced in line with statutory requirements and was reviewed by the Joint Independent Audit Committee, and approved by the PCC and the Chief Constable. The Budget 2015/16 & Long Term Financial Plan were agreed by the PCC, with regular updates provided during the year. Updates on budget and capital monitoring were reported to each Finance, Resource & Policy Scrutiny meeting, which met 4 times during the year. Financial updates will continue to be provided on a quarterly basis to the Finance Resource & Scrutiny Meetings in addition to the monthly reports provided to the Chief Constable, the Force Management Board and the PCC's CFO.

4.9 In response to the 2013 Comprehensive Spending Review (CSR) the Force developed plans, in conjunction with the PCC, to deliver financial and operational sustainability over the next two financial years, 2014/15 and 2015/16, to enable plans to be developed and enacted to deal with the severe funding challenges of 2016/17 and beyond. Following CSR 2015 and the 'protection' of police service funding, the Force has worked with the PCC to agree a level of funding that will sustain the 'Towards 2020' operating model over the lifetime of the plan. Consequently, the Force is projecting a break-even position for each year of the plan without the need to further reduce the establishment subject to delivery of the other strands of the savings programme. There are a number of significant workstreams in progress to develop this sustainable service model that can

effectively respond to threat, risk and harm, within financial constraints, which are focused on delivering safer communities.

4.10 The Force has a robust complaints process in place and complaints against the police are reported to the Joint Independent Audit Committee on a six monthly basis. Any lessons to be learnt from complaints are circulated across the Force and the Blueprint newsletter published by the Professional Standards Department (PSD).

5. Principle 2 - Leaders, officers and partners working together to achieve a common purpose with clearly defined functions and roles

5.1 There is regular communication between the Office of the Police and Crime Commissioner and Cleveland Police, with the Chief Constable meeting the Police & Crime Commissioner on a weekly basis to update on current issues. A summary of the topics and actions discussed in these meetings is published on the PCC's website.

5.2 In addition, the Deputy Chief Constable has regular meetings with the PCC's Chief of Staff, and the two Chief Finance Officers also meet on a weekly basis.

5.3 The Police and Crime Commissioner for Cleveland and Cleveland Police Joint Corporate Governance Framework includes the Contract Standing Orders, Financial Regulations and Scheme of Delegation, along with the roles and responsibilities of chief officers.

5.4 In line with the Contract Standing Orders, the Force reports to the Joint Independent Audit Committee all instances of exemptions to these standing orders, on a six monthly basis.

5.5 The Force Performance Management Framework is well established through the monthly Tasking and Performance Group, and the quarterly Strategic Performance Group. A chart of the Force's key meetings is attached at Appendix 2.

5.6 The Force has an agreed Performance & Accountability Framework with the PCC which includes a timetable of Scrutiny Meetings with the Police and Crime Commissioner. The meetings focus on one specific area each month on a cyclical basis: Finance, Resource & Policy; Performance, and Partners & Commissioning. The meetings are minuted and the reports and minutes are available on the PCC's website. Terms of reference and a programme of work have been agreed for these meetings to minimise bureaucracy and duplication.

5.7 The Force has a Chief Finance Officer (CFO) in post who is the statutory 'Section 151' Officer for the Force. The Force's CFO works closely with the Chief Finance Officer of the PCC ensuring an effective, cooperative and constructive relationship, and complies with the CIPFA statement on *The Role of the CFO for the Police and Crime Commissioner and the CFO of the Chief Constable*.

5.8 In October 2010 the Force outsourced a number of functions to Sopra Steria (UK), including the Force Control Room and Front Desk Counters, case file preparation, HR, finance, ICT, procurement and estates. The Sopra Steria (UK) Partnership

Director for the Cleveland Police contract attends the Chief Officer Group Meetings and is held to account for the overall delivery of the outsourced service.

5.9 Due to the severity of the grant cuts under CSRs 2010 and 2013, the Chief Constable and Chief Executive of Sopra Steria (UK) agreed that there was a need for Enabling Services to be respecified, redesigned and reconfigured to deliver the minimum level of service required to support operational policing and provide savings to protect front line services and reduce costs. The Force has now reached an agreement with Sopra Steria (UK) and we are implementing the changes.

5.10 Sopra Steria (UK) representatives did attend monthly performance review (MPR) meetings with the members of the Executive, where they are challenged and held to account for the performance and delivery of the outsourced service. In addition the Police Operational Services provided by Sopra Steria (UK) are discussed at the Tactical Performance Group chaired by the Assistant Chief Constable. In the new service model that has been agreed, it is proposed to facilitate the partnership behaviours that will underpin flexible and successful service delivery. This will be underpinned by developing a partnering relationship based on commercial trust. Following the changes that have been made through Strategic intent, the future meeting arrangements are still to be defined.

5.11 Accordingly, the focus must shift from a numeric approach to measuring performance through an onerous suite of KPIs, many of which distract from service delivery and add no value, to a focus on quality outcomes. This approach has been proven to be successful in a number of world class organisations including Google and Pepsico.

5.12 There are regular contract and performance meetings with Tascor where they are held to account for the delivery of the PFI Action Stations and Custody contracts.

5.13 The Force has established an Integrated Offender Management (IOM) scheme with partners to deliver a community based joint strategy targeting the relatively small number of people responsible for a disproportionate amount of crime and disorder in our communities. During the year an audit of the IOM was undertaken as part of the internal audit plan for 2015/16. The auditors reported that the Force could take substantial assurance that the controls upon which the organisation relies to manage the risk of failure to ensure partnership commitment and funding, are suitably designed, consistently applied and operating effectively.

5.14 The Force has a collaborative agreement with Durham Constabulary for a Specialist Operations Unit incorporating: armed response; road policing; collision investigation; motorcycles; camera enforcement; traffic management and Dogs. It also works very closely in terms of joint working on the topics of; public order teams their training, and CBRN. A Section 22a Collaboration Agreement is in place between Cleveland Police and Durham Constabulary. The Unit is overseen by a CDSOU Project Board, Chaired by the ACC from Cleveland Police and the Joint Operations Group, chaired by the ACC from Durham Constabulary.

5.15 Cleveland Police is part of the North East Regional Serious and Organised Crime Unit (NERSOU) which provides additional specialist capacity to deliver an increased response to tackling serious organised crime that transcends Force borders. The mission of the unit is to tackle those organised crime groups causing the greatest

levels of harm to communities in the North East. A Section 22a Collaboration Agreement was signed by the Chief Constables and Police & Crime Commissioners of Cleveland, Durham and Northumbria which sets the governance arrangements and the funding formula.

5.16 The Force is also part of a national collaboration for the provision of air support, the National Police Air Service (NPAS).

5.17 During the year internal audit completed an audit of the Force collaboration agreements. The review included assessing the processes operated to manage the monitoring and reporting on performance of collaboration; and the assurance gained of intended benefits and outcome achievement. The audit included the three collaborations referenced above. The auditors reported that the Force can take substantial assurance that the controls upon which it relies are suitably designed, consistently applied and operating effectively.

5.18 During the year, the Force has made significant progress with the Evolve Collaboration arrangements with Durham and North Yorkshire, and a Section 22a Collaboration agreement is now in place. Arrangements are now in place for the provision of fully collaborated dog support across the three forces. As part of the Evolve programme, Cleveland Police and North Yorkshire Police are have agreed a collaborative proposal for a joint major crime investigation team. All three forces are also working to explore the potential for fully collaborated Legal Services and Information Rights and Disclosure Services.

6. Principle 3 - Promoting values for the PCC and the Force and demonstrating the values of good governance through upholding high standards of conduct and behaviour

6.1 Police Officers and Police Staff are subject to a Code of Conduct and the Code of Ethics.

6.2 The Force has an established Transparency, Integrity, Values & Ethics (TIVE) Board, chaired by the Chief Constable. The Board was established in response to the HMIC report ‘Without Fear or Favour’ and includes representatives from across the organisation. The purpose of the Board is to ensure that the Force’s culture and leadership reflects the highest professional standards expected by the public.

6.3 In addition, the Force has established a separate Ethics Committee which will consider specific ethical issues and will be responsible for enhancing trust and confidence in the ethical governance and decision making of Cleveland Police and the Office of the Police and Crime Commissioner. The Ethics Committee is chaired by the Chief Constable.

6.4 Cleveland Police have established a Joint External Ethics Committee with Durham Constabulary. The Committee will be a key contributor to maintaining and improving trust and confidence in the two organisations. Chief Officers in Cleveland and Durham are operating in an increasingly complex business environment as well as an operationally challenging one. It is envisaged that the skills and experiences of our committee members can enrich the decision making of senior leaders within

Cleveland and Durham and improve our transparency for the benefit of the communities we serve.

6.5 The Force has an established People Intelligence Board which brings together issues that would otherwise be looked at in isolation, including corporate and people issues, to ensure high standards of conduct and behaviour across the Force. This will cover a range of information including: sickness; grievances; disciplines; misconducts; complaints; business interests; notifiable associations; Employment Tribunal cases; civil claims and vetting concerns.

6.6 The Force has a Counter Fraud and Corruption Policy which is supported by a Whistle Blowing Policy.

6.7 The Force has an established complaints process which is detailed on the Force website. The Joint Independent Audit Committee receives reports on complaints against police on a six monthly basis.

6.8 The Force is continuing to embed the national Code of Ethics produced by the College of Policing, and this will continue throughout 2016/17. This work is being led by the Chief Constable. The code sets out the values and standards of professional behaviour for the police service of England and Wales.

6.8 The Force Strategic Partner, Sopra Steria (UK), embrace the Code of Ethics and there are contractual commitments in place to comply with Force policies.

6.9 During the year the Force established Supervisor Engagement Sessions, led initially by the Deputy Chief Constable, and now the Chief Constable, to help foster a climate of openness, support and respect. These sessions were originally held on a six monthly basis, but are now going to be held on a quarterly basis.

6.10 In past Annual Governance Statements, the Force has identified that improvements needed to be made to the integrity of the data that is held in Force systems. During the last year the Force has continued to make improvements in this area under the direction of the Data Quality Gold Group, chaired by the Deputy Chief Constable, providing strategic level oversight and governance to the improvements being made. To support this work the Force appointed a Data Quality Manager and a team of Data Quality Clerks, who have made significant improvements to the quality of the data.

6.11 Cleveland Police has become the first force in the UK to work with Experian to develop a Golden Nominal Database to interface with the Force's call management system, specifically aimed at improving the data held and saving time and money for the organisation. By working with Experian the Force is learning from their knowledge and expertise in ensuring the data held is accurate.

7. Principle 4 - Taking informed and transparent decisions which are the subject to effective scrutiny and managing risk

7.1 The Force structure is designed to manage service delivery whilst ensuring that effective governance is applied throughout the Force. The Business Transformation Unit has direct responsibility for corporate planning and transformational change.

The Tasking, Coordinating, Performance & Operations Command has responsibility for corporate performance management, policy co-ordination, operational audits, inspection and review, along with responsibility for risk management and service continuity.

7.2 All decision making is carried out in accordance with the Police and Crime Commissioner for Cleveland and Cleveland Police Corporate Governance Framework including Contract Standing Orders, Financial Regulations and Schemes of Delegation.

7.3 The Force Management Board continues to meet on a fortnightly basis to provide a delivery focussed, cohesive, holistic and supportive approach to developing and delivering services to provide safer communities. The meeting records and decisions from the 'open' sessions of the meeting are published on the Management Board internal SharePoint site which is available to all officers and staff. The Management Board, the Resource Management Group and the Towards 2020 Change Board are the main forums where organisational decisions are made.

7.4 To minimise duplication, the Force now hold the quarterly Strategic Performance Group meeting as part the Management Board, as the attendees were the same. The PCC continues to be invited to the SPG part of the Management Board.

7.5 The Force has an established Business Transformation Portfolio Board, chaired by the Chief Constable, and attended by the Police & Crime Commissioner, and a Sopra Steria (UK) representative which oversees the Force's change strategy.

7.6 Due to the significant amount of change being delivered across the Force, it was agreed that a dedicated Towards 2020 Change Board would be established, chaired by the Deputy Chief Constable. This is a sub-group of the Management Board to support the operational delivery of the Towards 2020 Change Programme by acting as a key stakeholder group to ensure effective prioritisation of resources and communication, alignment and transparency of change initiatives.

7.7 The Operations Board continued to be chaired by the ACC, and acts as the co-ordinating body for operational policy and procedure ensuring consistency of approach across the Force.

7.8 The Enabling Services Board continued to be chaired by the Force's CFO, and acts as the co-ordinating body for enabling services to ensure a delivery focussed, cohesive, holistic and supportive approach to developing and delivering business intelligence and support services.

7.9 The governance arrangements ensure that key decisions made by the Force ensure that the appropriate legal, financial, human resources and other professional advice is considered as part of the decision making process.

7.10 The PCC maintains appropriate oversight and scrutiny of the Force decision making through weekly meetings with the Chief Constable, the receipt of update reports to the Finance, Resource & Scrutiny meeting and by attending the Strategic Performance Group and the Business Transformation Portfolio Board.

7.11 The Force is subject to an extensive inspection regime by Her Majesty's Inspectorate of Constabulary (HMIC) and the results of these are published on their website to ensure appropriate scrutiny of decision making. The Force has a process for reviewing and assessing the recommendations arising from HMIC reports, coordinated by the newly established Performance, Quality & Review Team. The implementation of these recommendations continues to be monitored via the Risk Audit & Inspection Monitoring Board (RAIMB).

7.12 There is an established Joint Independent Audit Committee for Cleveland Police and the Police and Crime Commissioner, with agreed Terms of Reference and a programme of work for the year. The Audit Committee members have the opportunity to meet with the Internal and External Auditors in private at the start of each Audit Committee meeting.

7.13 The Force and Police and Crime Commissioner agree a programme of internal audit work at the start of each financial year. During the financial year 2015/16, Internal Audit have completed audits in the following areas:

- Integrated Offender Management
- Quarterly Cash Spot Checks
- Proceeds of Crime
- Collaboration
- Cyber Crime
- Key Financial Controls
- Training
- Payroll & Expenses
- Risk Maturity
- Governance
- Follow Up of Previous Internal Audit Recommendations

These reports were presented to, and scrutinised by, the Joint Independent Audit Panel. The reports were made available on the Police & Crime Commissioner's website.

7.14 The Force has an established Risk, Audit and Inspection Monitoring Board (RAIMB) which meets on a monthly basis. This board monitors and oversees the implementation of agreed recommendations arising from internal audit and HMIC reports and reviews the Force's risk registers, ensuring that risk, audit and inspection issues are considered at a strategic level. Health and safety and business continuity issues are also discussed in these meetings. This board is now chaired by the Chief Finance Officer and includes a representative from Sopra Steria (UK). Updates are presented to the Joint Independent Audit Committee on a six monthly basis.

7.15 The Force maintains Strategic and Corporate Risk Registers along with operational risk registers for each service unit. The risk management process is managed by the Head of the Operations Command and risk management updates are presented to the Joint Independent Audit Committee on a six monthly basis. Strategic risks are reviewed on a quarterly basis at the Risk, Audit & Inspection Monitoring Board (RAIMB).

7.16 The Force has regular Joint Risk Management Meetings with our Strategic Partner, Sopra Steria (UK), to ensure that risks continue to be reviewed and mitigated, in areas where the delivery of services has been outsourced.

7.17 The Force reviewed and updated the Business Interests & Additional Occupations Policy in 2015 which reflects the ACPO Guidelines on the Management of Business Interests & Additional Occupations for Police Officers & Police Staff. Guidance and application forms have been introduced and are being used by PSD for officers and staff applying for approval for an outside business interest. The forms provide greater scrutiny and transparency, affording the organisation greater protection against reputational damage. This is managed by the Ch/Insp to ensure a corporate approach is adopted and each application is managed with a level of consistency.

7.18 If an officer, or member of police staff, has any association with a person the Police may have an interest in, they must disclose this to PSD, which is then risk assessed by the Head of PSD. Conditions and/or recommendations may need to be put in place in order to protect the officer/member of police staff and the organisation. This is closely managed in partnership with the Force Counter Corruption Unit.

7.19 The Force has rolled out the use of the National Decision Model across the Force. The Model is used to support the use of greater discretion and encourages decision makers to follow an easy to use, consistent and robust process which has the vision and values of the Force at its heart. The Model can be used to support both operational and non-operational decisions, no matter how complex and it can be used by both police officers and staff alike in their professional roles.

8. Principle 5 - Developing the capacity and capability of Members and officers to be effective

8.1 The Force has a Performance Development Review (PDR) process for officers and staff. The process underwent a fundamental review as a result of feedback received during the Transformational Leadership Survey, resulting in the development of revised process. The training and evaluation of this new process will be incorporated into new management and leadership development programme.

8.2 Results of the staff survey conducted in April 2015 were shared across the Force in November via briefings and a video. The results showed levels of ethical leadership, empowerment leadership, public service motivation, engagement and commitment (to colleagues and the public) were high. Perceptions of fairness, organisational support and wellbeing were lower, resulting in an initiative being launched to increase inclusion. Work / family conflict was high, particularly for police officers, which had been identified prior to the survey and action taken as part of a re-structure of the Force aimed at better matching resources with demand and responding to our Strategic Threat and Risk Assessment (STRA).

8.3 The Force also undertook a Stress Audit of all officers and staff, based on a tool developed by the Health and Safety Executive. Results of the Stress Audit has informed HR policy development and fed into the new shift patterns being introduced as part of restructure of the Force and redesign of services

8.4 The Force has a centralised process for approving requests for external training, with a monthly External Training Meeting, chaired by the Strategic Head of HR. All officers and staff who have attended an external training course are required to complete an evaluation.

8.5 The Force undertakes a Training Needs Analysis with all service units and has an agreed Training and Development Programme which is reviewed and agreed on an annual basis which links to supporting the delivery of the Force's priorities.

8.6 The Force Resource Management Group takes into account officers' previous training when considering officer postings. Succession planning of key roles within departments is also considered as part of this group.

8.7 The Leadership Development Programmes are being redesigned to incorporate more soft skills in line with the College of Policing leadership review. Bimonthly senior leadership forums offer CPD opportunities for more senior staff and the College of Policing run senior programmes which are accessed by Chief Inspector rank, and police staff equivalents, and above.

8.8 The Force identifies suitable candidates to apply for the College of Policing Fast Track programme, giving active support and development for talented PCs to gain rapid promotion to Inspector level

8.9 A new initiative is being introduced to support Sergeants who were unsuccessful in their application for Inspector. An optional event or series of events are being organised to support them managing their own CPD. Whilst this is not directly designed to help them pass a subsequent promotion board, it is anticipated that this may put them in a stronger position.

8.11 A full 6 month induction programme is established for new PCs and PCSOs in accordance with College of Policing criteria.

8.12 Quarterly briefing sessions are held to update all Supervisors on the future direction of the organisation and enable Supervisors to contribute ideas and participate in future planning. Following these sessions, Supervisors are required to cascade the key messages to officers and staff.

8.13 The Force has recently established 'Everyone Matters'; a living approach to inclusion, equality, diversity and human rights ensuring it is fully embraced in both our service delivery and employment; about moving us forward as a service built upon firm foundations of values, ethics, transparency, inclusion and fairness and an internal maturity to challenge behaviours or attitudes that don't support that.

9. Principle 6 - Engaging with local people and other stakeholders to ensure robust public accountability

9.1 As a result of the review of Neighbourhood Policing, the Force has developed a new Engagement Strategy. The strategy aims to provide accessible, multiple opportunities for communities to engage with Cleveland Police in shaping policing policy, practice and priorities.

9.2 The Local Public Confidence Survey is conducted monthly, by an independent company, via telephone of public confidence levels in the local community, providing statistically significant results for each Local Policing Area (LPA) giving a local context. The survey also includes a range of diagnostic questions highlighting

any concerns respondents have about policing in their neighbourhood. The results are reported quarterly to the Tactical Performance Group.

9.3 The Victim Satisfaction Survey is a national telephone survey across a random sample of victims from the Force area on a rolling monthly basis. Results are reported on a monthly basis to the Tactical Performance Group. The survey provides the Force with information about the experiences of victims, which allows us to continually improve the service we deliver.

9.4 The Chief Constable has regular meetings with each of the Chief Executives of the local councils, and the Chief Fire Officer. In addition the Force works in partnership with the local authorities, and other stakeholders, e.g. health, education and social care on a range of issues, for example; Community Safety Partnerships, Local Safeguarding Boards, Health and Wellbeing Boards, Youth Offending Boards and the Strategic Contest Delivery Group. This is not an exhaustive list.

9.5 The Force is working to reinvigorate the Independent Advisory Groups (IAGs) across the Force to facilitate greater engagement with our communities.

10. Review of Effectiveness

10.1 Cleveland Police has 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 the Chief Officers of the Force who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's Annual Report, and also by comments made by the external auditors and other review agencies and inspectorates.

10.2 In line with the Financial Management Code of Practice for the Police Service of England and Wales, the Force and the Office of the Police & Crime Commissioner for Cleveland have agreed to a shared internal audit service. This service is provided by Baker Tilly.

10.3 Internal auditors in the public sector are required to work to the *Public Sector Internal Audit Standards (PSIAS)*, which are based on the *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors and which also adopt the institute's definition of internal auditing and code of ethics.

10.4 The Head of Internal Audit is required to include in the annual internal audit report an opinion on the internal control environment; providing any details of weaknesses that qualify this opinion and bringing to the attention of the Audit Committee any issues particularly relevant to the preparation of this Annual Governance Statement. The Audit Committee formally received the Internal Audit Annual Report for 2015/16 at their meeting in March 2016.

10.5 The Internal Audit Annual Report 2015/16 states that the organisation has an adequate and effective framework for risk management, governance and internal control.

10.6 Internal Audit report to the Chief Finance Officer for the Force and the Audit Committee. The Internal Auditors regularly meet with the Joint Independent Audit Committee before each meeting, in line with good practice.

10.7 Internal audit work is planned using a risk-based approach that aims to ensure that the Chief Finance Officer's responsibilities under Section 151 and 144 are fulfilled and that an effective internal audit service is provided to the Force.

10.8 External Audit Services to Cleveland Police and the Office of the Police & Crime Commissioner for Cleveland is provided by Mazars. In their annual audit letter they report on the Forces' accounts; and whether the Force has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. For 2014/15 the External Auditors gave an unqualified opinion on the Chief Constable's financial statements, and concluded that the Chief Constable had proper arrangements to ensure economy, efficiency and effectiveness in the use of resources.

10.9 External audit express an opinion on the adequacy of internal audit work that it places reliance on.

10.10 The Joint Independent Audit Committee was established to serve the needs of both the Force and the Office of the Police & Crime Commissioner. During 2015/16 the Committee has met formally on 4 occasions to conduct its business. There are agreed Terms of Reference and a programme of work for the Audit Committee, and the meetings are held in public. The agenda, papers and minutes of meetings are available on the PCC's website.

10.11 The Force conducts monthly thematic audits on compliance with National Standard for Incident Recording (NSIR) and National Crime Recording Standards (NCRS) which are reported to the Force's Tactical Performance Group.

10.12 The Force works closely with the team in the OPCC responsible for overseeing the management of the Sopra Steria (UK) outsourcing contract and adherence to the Governance Schedule.

10.13 Assurance is drawn from a number of other sources, for example, HMIC, Health & Safety Inspectorate, external insurers, partners, and organisations such as the courts.

10.14 I have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

11. Significant Governance Issues

11.1 The following matters are to be classified as significant:

- Following the 2015 HMIC PEEL (Police Effectiveness, Efficiency & Legitimacy) assessment, the Force was assessed as requiring improvement, with 17 areas

for improvement and one cause for concern. The Force has taken immediate steps to address the areas identified by HMIC, but work will continue into 2016/17.

- The Force is in the early stages of delivering 'Everyone Matters'; ensuring inclusion, equality, diversity and human rights are fully embraced in both our service delivery and employment. This work will continue into 2016/17 and beyond.

11.2 In addition to the significant governance issues there are also some specific issues which require further/continued focus:

- The integrity of data held by the Force needs to be improved to ensure operational effectiveness and efficiency, and legislative and regulatory compliance.

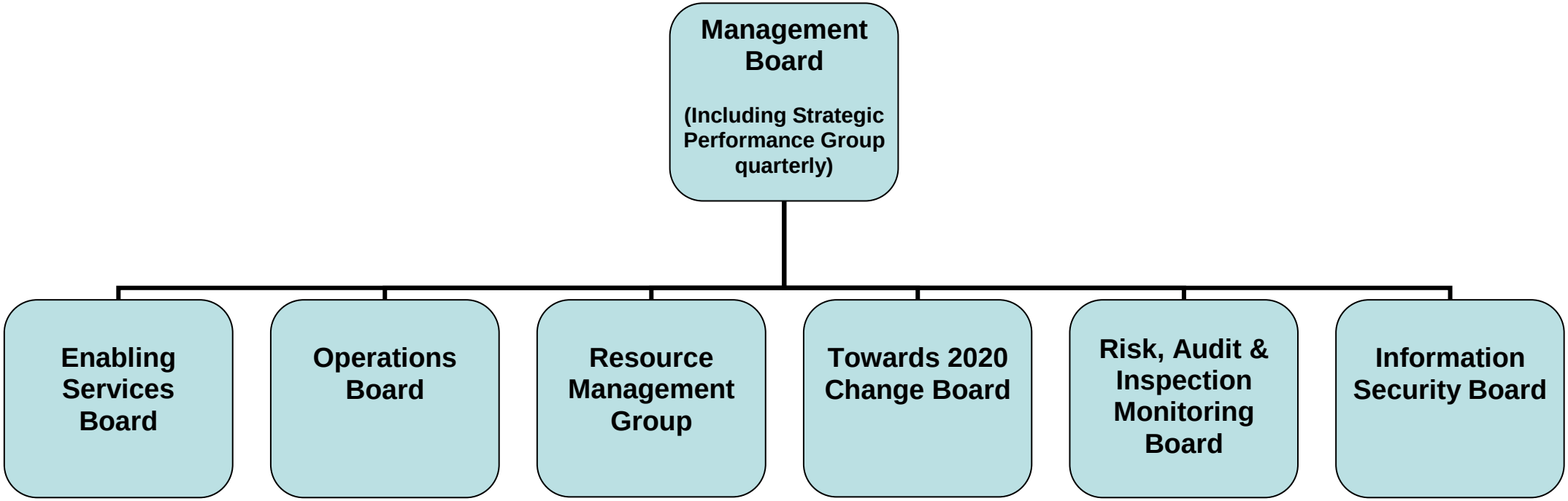
- The Force is reviewing and updating the Effective Management of Property in Police Possession Guidance, to ensure that the controls to manage this area are suitably designed and understood. Further work will continue to be taken to ensure that it is fully embedded across the force and consistently applied.

- Following CSR 2015 and the 'protection' of police service funding, the Force has worked with the PCC to agree a level of funding that will sustain the Towards 2020 operating model over the lifetime of the plan. Consequently, the Force is projecting a break-even position for each year of the plan without the need to further reduce the establishment subject to delivery of the other strands of the savings programme. It should be noted that the police settlement was for one year only pending introduction of a new funding allocation formula. Until there is clarity in relation to this issue, the current forecast assumes that there is neither a positive nor negative financial impact on the funding received by Cleveland in terms of Government funding. Based on what is currently known of the proposals this is a prudent assumption, however, it does present a potential risk.

11.3 I propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. I am satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of the next annual review.

Iain Spittal
Temporary Chief Constable
Cleveland Police

23rd June 2016

Appendix 1

Force Meeting Structure