

Annex B.2

Example Annual Governance Statement

[for use where supported by Force Annual Assurance Statement]

Position as at [date] including plans for the financial year [date]

1. SCOPE OF RESPONSIBILITIES

The XXX Police Authority ('the Authority') is responsible for ensuring its 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. The Authority 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.

In discharging this overall responsibility, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk. In exercising this responsibility the Authority places reliance on the Chief Officer of the XXX Police Force/Service/Constabulary ('the Force') to support the governance and risk management processes.

The Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework: *Delivering Good Governance in Local Government*. A copy is on our website at [...] or can be obtained from [...]. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 [*or equivalent provisions in Wales*] in relation to the publication of a statement on internal control.

A more detailed Statement of Assurance for the Force signed by the Chief Officer supports this overarching Governance Statement.

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values by which the Authority is directed and controlled and its activities through which it accounts to and engages with the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it 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 Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, to manage them effectively, efficiently and economically.

The governance framework has been in place at the Authority for the year ended [date] and up to the date of approval of the [annual report and statement of accounts].

3. THE GOVERNANCE FRAMEWORK

[This section describes the key elements of the systems and processes that comprise the governance arrangements that have been put in place for the Authority and Force. It should include reference to the overarching structures that have been put in place in both Authority and Force to deal with these areas and indicate how they are linked to each other.]

- *identifying and communicating the Authority's vision of its purpose and intended outcomes for citizens and service users*
- *reviewing the Authority's vision and its implications for governance arrangements*
- *measuring the quality of services for users, for ensuring they are delivered in accordance with the Authority's objectives and for ensuring that they represent the best use of resources*
- *defining and documenting the roles and responsibilities of the Authority and Force and the senior members and officers within each, setting out clear delegation arrangements and protocols for effective communication, and arrangements for challenging and scrutinising Force activity*
- *developing, communicating and embedding codes of conduct, defining the standards of behaviour for members, officers and staff*
- *reviewing and updating standing orders, standing financial instructions, a scheme of delegation, contract/procurement regulations, and supporting procedure notes/ manuals, which clearly define how decisions are taken and the processes and controls required to manage risks*
- *undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committee – Practical Guidance for Local Authorities*
- *ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful*
- *whistle blowing and for receiving and investigating complaints from the public and handling citizen and other redress*

- *identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training*
- *establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation*
- *incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships³, and reflecting these in the Authority's overall governance arrangements.]*

4. REVIEW OF EFFECTIVENESS

The Authority 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.

These reviews have been completed/informed by the work of [described processes/people involved], internal auditors, and also managers within the Authority who have the responsibility for the development and maintenance of the governance environment. In addition comments made by the external auditors and other review agencies and inspectorates have informed this review.

Describe the roles and process that have been applied in maintaining and reviewing the effectiveness of the governance framework, including some comment on the role of:

- *the Authority*
- *the Force*
- *the audit committee/risk management committee/committee challenging Force performance and compliance*
- *the standards committee*
- *internal audit*
- *other explicit review/assurance mechanisms.*

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the audit committee/risk management committee/committee challenging Force performance and compliance (*amend list as appropriate*), and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5. SIGNIFICANT GOVERNANCE ISSUES

[Include an outline of the actions taken, or proposed, to deal with significant governance issues.]

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are 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 our next annual review.

Signed

[Name]

[Name]

Chair of XXXXXXXX Police Authority

Chief Executive of XXXXXXXX Police Authority

On behalf of the members and senior officers of the XXXXXXXX Police Authority and
XXXXXXXXXX Police Force/Service/Constabulary