LINCOLNSHIRE POLICE

CHIEF CONSTABLE'S ANNUAL GOVERNANCE STATEMENT

2022-23

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Annual Governance Statement (AGS) 2022/23

Below are details of the Chief Constable for Lincolnshire's governance arrangements in operation during 2021/22 including plans for the financial year 2023/24.

1. Introduction

1.1 Good governance is about how organisations ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open and accountable manner. It comprises the systems, processes, culture and values by which organisations are directed and controlled, and through which they account to, engage with and, where appropriate, lead their communities.

1.2 All Police and Crime Commissioners and Chief Constables are required by regulation to produce an Annual Governance Statement (AGS).

1.3 This is a document which accompanies the statement of accounts and describes how effective our governance arrangements have been over the last 12 months and sets out areas for development. The Chief Constable's Statement is intended to support the Police and Crime Commissioner Group governance arrangements which are detailed in that separate set of accounts.

1.4 This Chief Constable's AGS sets out how Lincolnshire Police complied with the corporate governance framework during the year and it also details areas of improvement to enhance governance arrangements that the force plans to progress during 2024/25.

1.5 It is designed to complement the annual governance statement of the Lincolnshire Police and Crime Commissioner (PCC), to give the full picture of governance within Lincolnshire Police and the Office of the PCC for Lincolnshire.

1.6 The deadline for publication of the draft unaudited accounts and AGS is 31 May 2023. The deadline for publication of the final audited accounts and AGS deadline is 30 September 2023.

1.7 Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 requires an authority to conduct a review at least once a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts (England). This term 'authority' includes the Chief Constable and the Police and Crime Commissioner legal entities. This requirement is reflected in the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 published by the Chartered Institute of Public Finance & Accountancy (CIPFA).

2. Scope of Responsibilities

2.1 Under the Policing Protocol 2011 the PCC has responsibility for the delivery of efficient and effective policing, management of resources and expenditure by the police force. The PCC has a statutory responsibility to obtain the views of the community and victims of crime about the policing of the Force area and must take into account the views of responsible authorities. These views inform the PCC's Police and Crime Plan which sets the strategic direction and priorities for the Force.

2.2 The Chief Constable has responsibility where the Police and Crime Commissioner (the "Commissioner") delegates functions in respect of securing an efficient and effective police force.

2.3 The Chief Constable is responsible for ensuring business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, being used economically, efficiently and effectively.

2.4 The Chief Constable has a statutory responsibility for the control, direction and delivery of operational policing services provided by Lincolnshire Police (the Force), having regard to the strategic direction and priorities set by the PCC in the Local Policing Plan.

2.5 In discharging their responsibilities, the Chief Constable is required to put in place proper arrangements for the governance of their affairs and which facilitate the exercise of their 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.

2.6 The Chief Constable 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 and the guidance notes for policing bodies (revised 2016). A copy of the Lincolnshire Police Code of Corporate Governance is available on the Lincolnshire Police website at:

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https://www.lincs.police.uk/SysSiteAssets/media/downloads/force-content/lincolnshire/about-us/code-of-corporate-governance-for-the-chief-constable-of-lincolnshire.pdf or can be obtained from:

The Chief Constable's Office,
Police Headquarters,
Deepdale Lane,
Nettleham, Lincoln,
LN2 2LT.

2.7 This statement explains how the Chief Constable has complied with the Code and also meets the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

2.8 Section 3.7.4 of the Code of Practice on Local Authority Accounting for 2022/23 requires the Chief Constable's financial management arrangements to conform to the governance requirements of the CIPFA Statement on the Role of the Chief Finance Officer (CFO) of the Commissioner and the CFO of the Chief Constable. The Chief Constable's financial management arrangements are fully compliant with the CIPFA Statement on the Role of the Chief Finance Officer (CFO) of the Chief Constable.

3. The Purpose of the Governance Framework

3.1 The governance framework comprises the systems and processes, culture and values by which the Force is directed, controlled, and engages with the community to discharge the Chief Constable's statutory functions.

3.2 It enables the Chief Constable to monitor the achievement of strategic objectives for the force, in line with the PCC's Local Policing Plan and the Strategic Policing Requirement. This also considers whether force objectives and plans have led to the delivery of appropriate, cost-effective services, including achieving value for money.

3.3 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 Chief Constable'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.

3.4 The fundamental function of good governance in the public sector is to ensure that intended outcomes are achieved whilst acting in the public interest at all times.

3.5 The governance framework was in place for the year ended 31 March 2023 and up to the date of approval of the statement of accounts.

4. The Governance Framework

4.1 By law the Chief Constable is responsible for operational policing matters, the direction and control of police personnel, and for putting in place proper arrangements for the governance of Lincolnshire Police. The PCC is required to hold him to account for the

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exercise of those functions and those of the persons under their direction and control. The PCC therefore must be assured that the Force has appropriate mechanisms in place to maintain good governance and that they operate well in practice. This is done in a manner that recognises the commitment of the PCC and Chief Constable to abide by the working principles of the Policing Protocol as set out in the Schedule to the Policing Protocol Order 2011.

4.2 A Governance framework, collectively known as the Integrated Scheme of Governance gives guidance to make sure business is carried out efficiently and that decisions are not unnecessarily delayed. This was reviewed in 2022-23 and includes;

- The Scheme of Consent – which details the key roles of the PCC and those functions and powers which he consents to the Chief Constable.
- The Chief Constable's scheme of delegation – covers the powers given to the Deputy Chief Constable and the Director of Finance & Corporate Services (S151 Officer).
- The PCC and Chief Constable's financial and contract regulations – to provide clarity about the financial accountabilities of individuals acting on behalf of the PCC or Force.

4.3 The Force system of internal control, based on a framework of policies and procedures, is a significant part of the Force governance framework and is designed to manage risk to a reasonable and foreseeable level. The Force cannot eliminate all risk of failure to achieve policies, aims and objectives; it can provide reasonable but not absolute assurance of effectiveness.

4.4 The key elements of the systems and processes that comprise the governance arrangements in place for the Chief Constable are:

- Identifying and communicating the Operational Policing Plan, purpose and intended outcomes; the Plan is built from four elements:
  - The Police and Crime Commissioner's Police and Crime Plan;
  - The Chief Constable's Strategic Plan – "Making Lincolnshire Safe";
  - The national Strategic Policing Requirement;
  - The Community Safety Partnership Control Strategy.
- Measuring the quality of services for users, for ensuring they are delivered in accordance with the Chief Constable's objectives and for ensuring that they represent the best use of resources;
- Defining and documenting the roles and responsibilities of the Chief Constable and the Senior Officers, 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 officers and staff;

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- Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks and resources;

- Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committee – Practical Guidance for Local Authorities; - Delivering good governance in local government: Guidance note for Police;

- Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful;

- A Whistle blowing policy and procedures for receiving, investigating, and reporting upon complaints from the public, and other stakeholders;

- Determining the conditions of employment and remuneration of officers and staff, within appropriate national frameworks;

- Identifying the development needs of officers and staff supported by appropriate training and linked to the priorities of the Force;

- 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 and reflecting these in the overall governance arrangements;

- Preparedness for dealing with emergency situations.

4.5 This section describes the key elements of the systems and processes of the governance arrangements that have been put in place by the Force. In doing so, it reflects the overarching structures that have been developed to deliver objectives and manage risk:

- Processes for setting objectives and targets that support the policing priorities outlined in the Police and Crime Plan, including reporting to the Commissioner. This is done in a manner that recognises the commitment of the Chief Constable to abide by the working principles of the Policing Protocol;

- An annual operational policing plan 'Making Lincolnshire Safe' is produced in response to the Commissioner's plan;

- The tactical tasking and coordinating process is conducted in line with the National Intelligence Model including Daily Management Meetings with operational managers, Area Tasking, Force Tasking and Regional Tasking meetings which address both the Force objectives and emerging operational risk issues;

- Operational Commanders conference where operational matters can be discussed, risks identified and solutions found;

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- The force engages with the National Police Chiefs Council to ensure that standards defined in the Strategic Policing requirement are met and the operational response from Lincolnshire Police is capable of adding to the national effort to meet the extremis needs of the country;

- The Community Safety Partnership Control Strategy.

4.6 Decision making structures for establishing priorities and considering strategic issues facing the Force:

- Internal departmental management teams establishing business plans;

- Chief Officer Team (COT) and the Force Executive Board;

- Chief Officers share and discuss key issues with senior staff;

- Reporting to the Police and Crime Strategic Board (PCSB); monthly monitoring of the financial plans to COT and PCSB and an annual governance report is provided to the PCC, detailing the years' activity with regard to the financial and contract regulations, procurement, insurance, debtors and treasury management, and providing an overview of decisions made and their justification. The Procurement, ICT, HR and Asset Strategies are also examined by this Board;

- Feedback from the public and other local stakeholders.

In line with the Chief Constable's strategic plan "Making Lincolnshire Safe", the governance structure of the force includes an Executive Board which oversees the delivery of the strategy as a whole and five boards which operate as sub-committees of the Executive Board as follows:-

- Performance Board
- Capability Board
- People Board
- Culture Board
- Communities & Partnerships Board

These five Boards each manage performance against the relevant delivery plans for their respective responsibilities and report by exception to the Executive Board.

4.7 The Strategic Partnership contract with G4S ended on 31st March 2022. The exit and transition to the new arrangements on 1st April 2022 was managed by the Future Services Programme (FSP) Board. The majority of the services provided by G4S transferred to Lincolnshire Police, with only Custody and Cleaning services outsourced. The FSP continued into 2022/23 to ensure a smooth transition and to embed the new organisational structure.

4.8 There is a high level of external scrutiny of organisational affairs by a variety of bodies including:

- Her Majesty's Inspector of Constabulary and Fire & Rescue Services (HMICFRS);

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- External Audit;
- HM Revenue and Customs;
- Internal Audit;
- local communities; and
- the media.

4.9 A National Code of Ethics for the Police Service, developed by the College of Policing, and embedded and enshrined by Parliament; applies to all forces that are required to embed the Code. The Code applies to every individual who works in policing in England and Wales, whether a warranted officer, police staff, volunteer or someone contracted to work in a police force. It is the written guide to the principles that every member of the policing profession is expected to uphold and the standards of behaviour they are expected to meet and is seen as the foundation document for promoting, reinforcing and supporting the highest personal standards from everyone who works in the policing profession. All employees have been issued with a copy of this code; the Code of Ethics sits alongside the values established in the Force culture (Courageous, Open, Fair and Inclusive), in providing the Force with an ethical framework to make decisions.

4.10 The Code of Ethics is based on nine policing principles and ten standards of professional behaviour that will help everyone in policing to do the right thing in the right way. It spells out what the profession expects of all officers, staff and others working in policing, and has practical examples for everyone to use daily.

5. Risk Management

5.1 Lincolnshire Police has a risk management strategy and process in place that effectively manages risk against its business in order to ensure it operates under the sound principles of Corporate Governance.

5.2 Effective management of risk is critical to ensure the organisation maintains its services and continues to progress effectively towards achieving its strategic aims by reducing adverse impacts arising from uncertainty. Lincolnshire Police is committed to proactively identifying and dealing with the risks it faces including business risks, operational and strategic risks and threats.

5.3 Risk registers are a key tool in providing assurance to the Force and to the Police and Crime Commissioner (PCC) demonstrating that risks are being managed effectively through the regular and continued review of the Force Risk Register at the Risk Management Board, Senior Leadership Team meetings and the Joint Independent Audit Committee.

5.4 In addition to these internal assurances, there are external organisations such as internal and external auditors as well as Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) that work with the Force and the Office of Police and Crime Commissioner (OPCC) to ensure the risk management process is effective and robust.

5.5 Any negative outcome of internal or external audit is reviewed by the Force and plans are put in place to address the issues and ensure improvements are made.

5.6 The Force risk register and process is owned by the Deputy Chief Constable of Lincolnshire Police with delegated responsibility to the Head of Strategic Development to manage the policy and processes on behalf of the Deputy Chief Constable.

5.7 The Risk Policy and Review Officer is responsible for managing the risk management process on behalf of the Head of Strategic Development and will maintain the policy and processes on their behalf.

5.8 It is the responsibility of all heads of departments and business areas to ensure they manage risks within their own areas of authority.

5.9 They are responsible for identifying risks in their individual business areas and for assessing them in terms of their impact and probability of occurring. Each department and business area, as well as all force projects, will maintain a risk register.

5.10 The Force risk management process focuses on five levels of risk which can pass through a process of escalation depending on the scale of risk and effect it may have at either project, programme, department or force level.

Risk Level	**Description**
Force	• Risks at the highest level. • They are so significant that they threaten or enhance the long-term achievement of corporate objectives.

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	• Will be discussed at Risk Management Boards, Senior Leadership Team meetings and the Joint Independent Audit Committee. • Departments/Business Areas will escalate risks from their departmental risk register which have become force risks, through the Risk Management Board, for inclusion on the Force Risk Register.
Department/ Business Area	• Risks that threaten or enhance the delivery of department or business area objectives. • Will be discussed at Senior Management Team meetings. • Escalated up through the Risk Management Board if they pose a threat to corporate objectives and the Head of Department's limit of authority to manage the risk has been reached.
Programme	• Risks that threaten or enhance the delivery of a programme. Will be analysed and scored in relation to the programme. • Will be discussed at Programme Board meetings. • Escalated through the Risk Management Board if they pose a threat to corporate objectives, and the Programme Manager's limit of authority to manage the risk has been reached.
Project	• Risks that threaten or enhance the delivery of a specific project. • Will be analysed and scored in relation to the project. • If they are serious enough to impact on the Programme and the Project Manager's limit of authority has been reached, they should be escalated to Programme level.
Operational	• Risks concerning the day-to-day issues that Lincolnshire Police is confronted with as it strives to deliver its objectives. • Only escalated to the Force Risk Register if they pose a threat to corporate objectives.

5.10 In implementing risk management the Force has produced a Risk Management Strategy which details the roles and responsibilities of those involved in the undertaking risk management in the Force. It follows a set standard and process for risk management to ensure a consistent approach is adopted across the whole organisation. The Risk Management Strategy is reviewed by JIAC.

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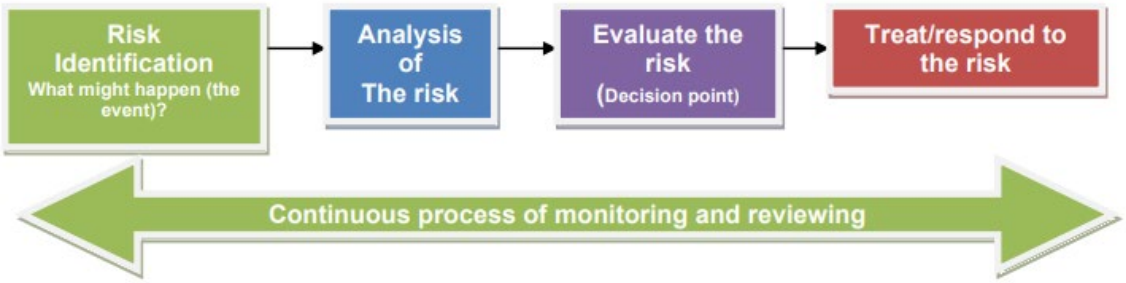
5.11 There are four key steps to the risk management process which are shown in the following flow chart:



5.12 Consistent risk management will allow the Force to plan effectively in the delivery of its outputs by knowing what circumstances that could prevent it from achieving its aims, and by putting in to place measures to prevent risk form occurring, therefore, saving time and resources.

5.13 The Force Risk Management Board is responsible for the following:

- Determining if risks are critical to the Force;
- Managing and developing the risk management process;
- Review risk assessments of potential force risks;
- Monitor red and amber risks on a quarterly basis;
- Assigning Risk Owners to a risk depending on the risk assessment score;
- Providing visible leadership and commitment to the Force risks and risk management process throughout the organisation;
- Ensuring programme and project assurance.

5.14 Membership and terms of reference of the Force Risk Management Board are set out within the Force Risk Management Policy. Lincolnshire Police has an established post of Force Risk Officer whose duties include maintaining the Force Strategic Risk Register and advising on the total risk to which the Force is exposed. Risk focal points within each division and department have also been nominated.

5.15 The PCC and the Force maintain an extensive assurance map in conjunction with the strategic risk registers and process risks. The assurance map is based on the three lines of defence approach and is suitably comprehensive and effective for the purpose of assuring on established mitigations and scoring of strategic risks.

Review of Effectiveness

5.12 The Chief Constable has responsibility for conducting, at least annually, a review of the effectiveness of the governance framework including the system of internal control. This annual governance statement (AGS) provides a summary of activities undertaken and areas for continuous improvement identified through the Force review of the

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governance arrangements; these have been included in the action plan for delivery in 2023-24.

5.13 This review aims to confirm whether current arrangements are fit for purpose and is presented to the Joint Assurance Group and Joint Internal Audit Committee. The review also provides updates and confirmation regarding the completion of areas for improvement identified in the annual governance statement.

5.14 This review has been informed by the work of the Deputy Chief Constable (DCC) and the Director of Finance and Corporate Services together with managers within the Force who have the responsibility for the development, maintenance and operation of the governance environment.

5.15 On an ongoing basis governance is monitored and reviewed via a range of mechanisms. These range from formal meetings (in areas such as Force performance board, project management arrangements and conduct oversight from the Professional Standards Department) to the operation of management teams at corporate, area and service level.

Joint Independent Audit Committee (JIAC)

5.16 The Commissioner and Chief Constable have a Joint Independent Audit Committee (JIAC). The JIAC provides advice on matters relating to the adequacy and effectiveness of the financial and other controls, corporate governance, financial and contract regulations and risk management arrangements operated by both the Commissioner and the Chief Constable. The JIAC is subject to an annual self-assessment.

5.17 The JIAC has received and considered information and reports from both internal and external audit and monitored the implementation of action plans drawn up to address identified internal control weaknesses. The Head of Internal Audit provides an opinion for each of the Police and Crime Commissioner and Chief Constable, based on the work undertaken in the year, on the adequacy and effectiveness of the assurance framework, risk management, internal control and governance. The External Auditor provides an opinion on the financial statements/value for money.

5.18 The Committee aims to ensure there is continuous improvement in the process and receives regular updates on progress to address the areas for improvement.

5.19 Assessments and recommendations made by the internal and external auditors and other review agencies and inspectorates have informed this review.

Internal Audit Function

5.20 Under the Accounts and Audit (England) Regulations 2015, the PCC and Chief Constable are responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal Audit plays a vital role in advising the PCC and Chief Constable that these arrangements are in place and operating effectively.

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5.21 The internal audit function is carried out by Mazars LLP for both the PCC and Chief Constable. Audit reviews are undertaken in line with an annual internal audit plan, which is reviewed by the JIAC.

5.22 Internal audit reviews throughout the year identified a number of areas for improvement, to further enhance the force governance arrangements. The actions to achieve these improvements are monitored by the Deputy Chief Constable and reported to the JIAC.

5.23 Mazars LLP were appointed internal auditors for the 3 years up to 31 March 2022 with a further 12 month extension being agreed by the East Midlands regional CFO's up to 31 March 2023. A full procurement tender exercise was carried out during the year and a new framework agreement made with Mazars LLP for an initial period of 3 years with an option to extend by a further 12 months.

5.24 Management have agreed recommendations to address all the findings reported by the internal audit service during the 2022/23 year.

5.25 Mazars LLP presented the Internal Audit Annual Report for 2022/23 for the Police & Crime Commissioner for Lincolnshire & Lincolnshire Police at the JIAC in September 2023, which gave the following opinion:

*"On the basis of our internal audit work, our opinion on the framework of governance, risk management, and control is **Moderate** in its overall adequacy and effectiveness. This opinion is provided on the basis that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.*

Certain weaknesses and exceptions were highlighted by the internal audit work, in particular limited assurance opinions were provided during the period in respect of Environmental Sustainability, Procurement Follow Up and IT Resilience.

These matters have been discussed with management, to whom we have made recommendations, some of which are categorised as Priority 1 and Priority 2. All of these have been, or are in the process of being addressed, as detailed in our individual reports, and summarised in Section 04."

5.26 Of the 11 internal audits undertaken during the year where a formal assurance level was provided, two received a significant level of assurance and six audits received a satisfactory level of assurance. Three audits received a limited level of assurance.

Internal Audit Reports with Significant Assurance:

- Risk Management & Assurance Mapping
- Core Financials

Internal Audit Reports with Satisfactory Assurance:

- Archive Management: Follow Up
- Estates Management
- Stock Control
- IT: Cyber Security
- Data Quality
- Equality, Diversity & Inclusion

Internal Audit Reports with Limited Assurance:

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- IT: Resilience
- Environmental Sustainability
- Procurement: Follow Up

5.27 A total of 43 new recommendations were made during the year at the Force and OPCC, with 3 recommendations categorised as Priority 1, and 21 recommendations categorised as Priority 2.

5.28 Management agreed recommendations to address all the findings reported by the internal audit service during 2022-23.

5.29 Following the issue of the limited assurance opinion in respect of Procurement during 2021/22, the Chief Constable put in place an action plan to address the 2 recommendations that were agreed following the audit. The review resulted in 2 recommendations, of which 1 was fundamental, both of which have now been addressed. All other internal audit recommendations from previous years were completed by August 2023.

5.30 Regular Public Assurance meetings consider police performance and the Police and Crime Strategic Board (PCSB) considers financial and people resources. The PCSB also considers long term strategy development, the assurance map, significant and emerging risk areas and the Chief Constable's report.

Governance review

5.31 The effectiveness of the governance framework is reviewed annually by the Chief Constable. The review has been informed by:

- Consideration of the Chief Constable's risk management regime;
- The code of corporate governance;
- The Integrated Scheme of Governance (ISG) which includes the Scheme of Consent, Commissioner's and Chief Constable's Scheme of Delegation and the Financial and Contract regulations;
- Consideration of the Commissioner and Chief Constable's joint assurance map (through both developmental and embedded stages);
- HMICFRS reporting and work;
- External and internal auditors and their formal reporting;
- Managing change, developing our policing model to meet threat, risk and harm and new technologies, all of which are discussed at the Strategic Management Board;
- Feedback received from the JIAC.
- The PEEL Inspection programme conducted by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) scrutinises all 43 police forces in England and Wales and examines their Police Efficiency, Effectiveness

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and Legitimacy providing comparable grades for each of the 43 forces in England and Wales.

External scrutiny

5.32 The latest PEEL inspection grades were received by the force in March 2023 these grades relate to the forces' performance in 2021/22. For that PEEL exercise the HMICFRS moved to a more intelligence-led, continual assessment model, and they also changed their approach to the graded judgements, expanding their previous four-tier system to five tiers as follows:

- Outstanding
- Good
- Adequate
- Requires improvement
- Inadequate

However, these changes mean it not possible to make direct comparisons between the grades awarded for 2021-22 with those from previous PEEL inspections. HMICFRS also stated that a reduction in grade, particularly from good to adequate, does not necessarily mean that there has been a reduction in performance, unless HMICFRS specifically say so in their inspection report.

5.33 Within the 2021-22 PEEL inspection report published in March 2023, HMICFRS made graded judgements about how good Lincolnshire Police is in for 9 out of 10 areas of policing force as follows:

Outstanding	Good	Adequate	Requires improvement	Inadequate
		Preventing crime	Investigating crime	
		Treatment of the public	Recording data about crime	
		Protecting vulnerable people	Responding to the public	
		Developing a positive workplace	Managing offenders	
			Good use of resources	

HMICFRS also inspected how effective a service Lincolnshire Police gives to victims of crime but they don't make a graded judgement in that overall area.

The HM Inspector of constabulary's observations noted:

"I am satisfied with some aspects of the performance of Lincolnshire Police in keeping people safe and reducing crime, but there are areas where the force needs to improve."

The HM Inspector of constabulary also made the following comments in summary:

"I acknowledge that the force is on a journey, having recently exited a ten-year contract with a private provider. It is also undertaking significant programmes of changes across the organisation, which are designed to improve service for the public. Historically, Lincolnshire Police has been one of the lowest-funded forces in England and Wales, and this is still the case. The report should be read in this context.

My report sets out the detailed findings of this inspection. While I acknowledge the good work officers and staff have already carried out to keep the public safe, I look forward to monitoring the force's progress towards addressing the areas for improvement I have outlined."

5.34 The findings from the 2021/22 PEEL assessment considered most important by HMICFRS included acknowledgement that the culture of the force had improved since the last inspection and a number of areas were identified to improve upon. These will be addressed in action plans going forward to achieve the following:

- Improvements in crime recording processes
- Improvements to how the force responds to the public and manages capacity of call handling teams
- Improving consistency of the supervision of investigations for the force to be able to give victims a good service
- Improvements in how the force scrutinises officers' use of force
- Improved management of sex offenders

5.35 As part of the PEEL 2021/22 inspections, HMICFRS inspected how well police forces tackle Serious and Organised Crime (SOC). This was a new approach to inspecting this aspect of policing for 2022, HMICFRS inspected ten regions, as well as the nine regional organised crime units (ROCUs) throughout England and Wales, and 43 police forces. This included Lincolnshire police and our regional ROCU. Their aim, to establish how well forces and ROCUs work together to tackle SOC.

5.36 Lincolnshire Police achieved an individual grading of Requires Improvement for SOC with four 'areas for improvement' identified. They are:

- The force needs to increase its resource and capability to effectively analyse the threat from serious and organised crime (SOC)
- The force should update the serious and organised crime (SOC) local profile to help it, and its partners, to better understand the SOC threat and the approach needed
- The force should ensure that the lead responsible officer (LRO) role is delegated to a wider group of officers with the time and expertise to do it effectively
- The force should improve how it records serious and organised crime (SOC) threats and disruptions on the national database

The East Midlands Special Operations Unit (EMSOU) received an "Inadequate" grading.

5.37 The force's progress against 'areas for improvement' and recommendations made in inspections continues to be tracked and progress monitored by the force through its

HMICFRS tracker. This document is regularly reviewed as part of the Commissioners "holding to account" governance processes and the force provide a summary report on outstanding remedial activity for review by the JIAC. HMICFRS operate a 'register of recommendations', to ensure that all recommendations both thematic and force specific have been addressed and remedial work has been fully completed to their satisfaction.

5.38 Outside of the PEEL regime the force received the following inspections in 2022-23:

- Custody inspection – This is a national series of inspections of police custody across England & Wales and is carried out jointly by HMI Prisons and HMICFRS. The inspections look at strategy, treatment and conditions, individual rights and health care. They contribute to the United Kingdom's response to its international obligation to ensure regular and independent inspection of all places of detention. The fieldwork activity took place in Lincolnshire from the 9th to 20th May 2022 and the inspection report was published on the 3rd August 2022.
- The joint Inspection team made 2 recommendations and highlighted an additional 15 areas for improvement. These findings have been placed into a bespoke action plan and progress will be monitored by the force, HMICFRS and the Commissioner.

Assurance on controls

5.39 Assurance on the effectiveness of the Chief Constable's financial controls has been provided by the Director of Finance and Corporate Services who was designated as the responsible officer for the administration of financial affairs under section 151 of the Local Government Act 1972. Systems are in place to ensure the lawfulness and financial prudence of decision making and to fully discharge the responsibilities of the role. The financial arrangements in place conform to the governance requirements of the CIPFA Statement on the Role of the CFO in Local Government (2014).

5.40 The Integrated Scheme of Governance (ISG) was introduced in April 2014 to reflect the new governance arrangements arising from the Police Reform and Social Responsibility Act 2011. The JIAC has been consulted on the scheme and its content is reviewed annually.

Review of the mandatory ISG training package is planned for the 2023/24 year and is designed to allow staff positively to confirm their understanding of the policies relating to the scheme and the financial and contract regulations.

5.41 The Chief Constable's risk management arrangements are well developed and well embedded. The JIAC reviews the Chief Constable's risk management strategy on an annual basis and monitors the Chief Constable's strategic Risk Register quarterly. The Chief Constable considers and reviews risk on a monthly basis through management meetings.

5.42 The Chief Constable and the Commissioner have a joint Anti-fraud and Corruption Policy in place which has been reviewed during the year. Quarterly meetings of the Anti-Fraud and Corruption Board ensure that current and emerging risks and issues in relation to anti-fraud and corruption are regularly discussed and reviewed. The JIAC

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are kept abreast of any issues arising. In addition, a joint fraud risk register has been developed to help in proactively identifying and assessing current and emerging fraud risks and potential actions to mitigate the risks identified. Mandatory training on counter corruption continued to be delivered to all staff and officers across the organisations via the College of Police e-learning system; raising awareness of issues surrounding police corruption and misconduct. The PCSB adopted the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption published in 2014 and has implemented an effective anti-fraud and corruption strategy. An assessment of the Force capability has been made against the adopted CIPFA code.

5.43 Having considered all the principles, the Professional Standards Department are satisfied that, the organisation has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

5.44 CIPFA's Financial Management Code (FM Code) was published in October 2019 and provides guidance for good and sustainable financial management in local authorities. The FM Code offers assurance that policing bodies are managing resources effectively, regardless of their current level of financial risk. A self-assessment of the CC's compliance with the code has been undertaken, considered by the JIAC, and an action plan developed to ensure full compliance; a further self-assessment is planned for 2023/24 to assess progress.

5.45 The Chief Constable has been advised on the implications of the result of the review of the effectiveness of the governance framework by the executive team 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.

6. Significant Governance Issues

6.1 The Risk Register is a tool that identifies the risks that would prevent or distract the Chief Constable from achieving their objectives.

6.2 All significant governance issues occurring during the year, have been addressed through the risk register.

6.3 The joint assurance map is recognised by the Chief Constable and the PCC as a vital tool for effective corporate governance. It provides timely and reliable information on the effectiveness of the management of major strategic risks and significant control issues; it also provides a cohesive and comprehensive view of assurance across the risk environment. The assurance map provides much of the evidence base for this annual governance statement. Independent assurance is also provided by the JIAC.

6.4 High level risks on the assurance map are considered on a quarterly basis at a quarterly Risk Management Board which consists of all the key risk owners, to support the continuous assessment of the effectiveness of the management of risk and internal control. The Force's Risk Register is reviewed monthly by the Deputy Chief Constable and the Force Risk, Policy and Review Officer.

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6.5 The Chief Constable's significant governance issues are detailed below and include an outline of the actions taken or further work that is required to address the issues. Significant governance issues are reported to the JIAC at least 4 times each year.

6.5.1 ***Risk of failure to persuade government of Lincolnshire's case for a more equitable share of national funding.***

The central government grant that Lincolnshire receives is well below the national average and this was acknowledged in the Home Office Core Grant Distribution Review, which considered potential changes to the police funding formula. The long-awaited review of the funding formula is yet to be concluded; therefore, it is still unclear what the change will be and when this will be finalised or implemented. This means that Lincolnshire Police will continue to face the challenge of delivering services with a lower level of funding than comparable forces for this and future financial years. Lincolnshire Police will face an increasing budgetary gap which will necessitate the use of reserves and a robust savings plan to deliver a balanced budget position, placing service delivery at risk.

6.5.2 ***Risk of failure to achieve and demonstrate efficiencies and value for money.***

The Commissioner and Chief Constable both have a statutory duty to make the best use of resources available to them. The capital programme continues to support this by investing in technology which improves operational efficiency such as vehicle replacement, mobile devices, infrastructure upgrades. and a new Command & Control system. Investment decisions and benefits realisation are undertaken by the Force Capability Board and monitored by the Police and Crime Strategic Board; independent assurance is gained through HMICFRS via the Efficiency pillar of their PEEL inspection programme. The Financial Strategy includes performance measures relating to both financial health and financial performance, supported by - plans and policies.

Following the cessation of the G4S contract from 1 April 2022, a Priority Based Budgeting exercise was undertaken during 2022/23 in order to ensure that resource allocation within the Force is consistent with current priorities.

6.5.3 **Risk of failure to deliver and demonstrate Value for Money in regional collaboration.**

The Commissioner and Chief Constable collaborate with the East Midlands region in many operational and back office areas. Regional Collaboration has seen a successful year following the appointment of a new regional DCC and broad agreement on budgets. Given the national funding landscape, challenges remain over the size and composition of regional resources, but an effective and active dialogue is underway; a no nonsense focus on open and evidence based decisions will support effective navigation of any changes.

6.5.4 **Risk of failing to effectively transition from the commercial contract arrangements (G4S)**

In 2020 following a comprehensive assessment, the Force decided that best value for money would not be achieved by pursuing an extension to the 10 year G4S partnership. This did not reflect on the partnership up to that date which was successful and continued in place until March 2022. The transition from G4S was

managed as the 'Future Services Project'. Reflecting the strategic importance of the project the Chief Constable was the SRO and the Board had representation from the Force, OPCC, and external expert advisors. The focus was on a seamless transition of people and services together with a strong emphasis on shaping the whole Force to reflect the significant change and develop an effective organisation fit for the coming years.

Governance arrangements between the Force and OPCC since this point have changed significantly and strategic delivery plans from the Force now form the cornerstone of accountability arrangements. A Memorandum of Understanding (MoU) has been drafted which details the governance arrangements

This was a major change during 2022/23 for the Force as many of the Force's operations and processes were brought in-house. This was an important part of planning within the internal audit reviews taking place during the year to ensure process and related impacts were discussed and appropriately reviewed.

Risks have been actively managed via the Future Services Programme (FSP) Board to support the transition and embedding new processes, roles and governance arrangements throughout 2022/23.

7. Information Risk

8.1 The Force Information Risk Appetite remains set as OPEN;

Willing to consider all options and choose the one that is most likely to result in successful delivery minimising residual risk as far as possible, while also providing an acceptable level of business benefit.

8.2 The Force continues to progress its work on information security and there is an Accreditation Programme in place for IT systems.

8.3 All officers and staff have completed online Data Protection and Managing Information training courses.

8.4 Information strategy and policy is approved and deployed by the Information Management Board, who also oversee information and data quality issues, including information risk. The Board is chaired by the Senior Information Risk Owner (SIRO) and any information risks that are outside of the Force risk appetite are escalated to Chief Officer Team as necessary.

8.5 Information Asset Owners are aware of their responsibilities with regard to risk within their area of responsibility, with a clear escalation path through the Force Information Management Board and Risk Management Board to the SIRO. Additionally, the Information Management Board discusses information risk as an agenda item. All Information Asset Owners have completed detailed risk assessments on all of their systems. They have also undertaken Information Asset Owner specific online information assurance training.

8.6 Regular (bi-weekly) meetings between the Information Assurance and IT staff continue to ensure that risks identified through IT Health Checks or system accreditation are mitigated in an appropriate timeframe.

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8. Future Plans

9.1 Over the coming year, where necessary, we will continue our plans to address the above matters and to further enhance our governance arrangements. These steps will address the need for improvements that were identified in the review of effectiveness and their implementation will be monitored as part of our next annual review.

SIGNED

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Chris Haward

Chief Constable for Lincolnshire

Date

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