

**SUSSEX POLICE AUTHORITY – 15 APRIL 2010**

**REPORT OF THE CORPORATE GOVERNANCE COMMITTEE**

**REPORT BY CHAIRMAN OF THE COMMITTEE**

**Introduction**

- 1.1 The report informs the Police Authority on matters considered by the Corporate Governance Committee at its meeting on 25 March 2010. The meeting was attended by Mr A Price JP (Chairman), Prof G Bull, Mr P Evans, Mrs C Shaves MBE JP, Mr A Smith and Mr S Waight.
- 1.2 The full agenda and reports for this Committee are available on the Authority's website, and the webcasting of the meeting can also be accessed via the website.

**Draft Annual Governance Statement**

- 2.1 The Committee has considered the progress being made in the preparation of the Annual Governance Statement (AGS) as part of the arrangements for ensuring that a framework of good governance is in place for the Police Authority and Sussex Police. The Annual Governance Statement sets out the assurance frameworks and processes that the Authority and Force have in place. The Annual Governance Statement includes elements about how governance considerations are set up and implemented in the Force and Authority.
- 2.2 As agreed at the previous meeting of the Committee, held on 19 November 2009, an Annual Governance Statement Working Group (AGSWG) has been formed and has now met. The Group is setting the direction for the AGS development processes for 2009-10 which includes the construction of the Code of Corporate Governance (which was also considered at the committee meeting).
- 2.3 The draft Statement has been sent to all members of the Authority for consultation and the final version will be presented for approval to the Committee at its meeting on 24 June 2010.

**Draft Internal Audit Plan – Progress 2010-11**

- 3.1 The Committee has approved the Internal Audit Plan for 2010-11 which sets out the nature, level, service delivery and resource allocation in relation to internal audit work to be provided to Sussex Police during the period 1 April 2010 to 31 March 2011.
- 3.2 Prior to the meeting, the Committee received a training seminar on internal audit processes. The Chairman thanked the Chief Internal Auditor for the insight into internal audit processes.
- 3.3 As part of the Section 23 collaborative policing arrangement, Sussex Police are taking the lead role in respect of the newly formed Regional Asset Recovery Team. Internal Audit has been requested to review the

governance arrangements once this initiative has bedded in. The Committee suggested that the Internal Audit Review of Section 23 should be extended to include witness protection, covert operations and technical support.

### **Internal Audit Review of Data Handling Update**

- 4.1 At the last meeting of the Committee, members considered the Interim Annual Internal Audit Report. The report had summarised the results of internal audit work undertaken during the first half of the year (2009-10) which included the completed audit review of data handling. The Committee had requested a further report to detail progress made by the Force to address identified weaknesses within data handling.
- 4.2 The Committee welcomed that satisfactory progress had been made. To date, of the 14 recommendations made, seven have now been fully implemented, six are being progressed within agreed timescales and one recommendation relating to the screensavers has been rejected.
- 4.3 The Lead Member for Information Systems, Professor G Bull, reported that he has been kept updated on this audit throughout and is satisfied with the recommendations and outcome achieved.

### **International Financial Reporting Standards Update**

- 5.1 The Committee was updated on progress towards full implementation of International Financial Reporting Standards (IFRS) by financial year 2010-2011. The move towards IFRS is obligatory and it aims to standardise accounts across international boundaries. An update was also provided on an overview impact of IFRS on the 2009-10 accounts and a general update on the latest Chartered Institute of Public Finance and Accountancy (CIPFA) accounting standard charges.
- 5.2 It was reported that good progress has been made to ensure that compliance with IFRS is achieved by the deadline of 2010-11. The Force is generally on target although changes in staff has led to some tasks falling behind the schedule. The Committee considered the task plan which was attached to the report and were pleased to note that many of the red/amber targets would be met by the end of the year.
- 5.3 There have been some modifications under the 2009 SORP which relate to:
  - Best Value Accounting Code of Practice (BVACOP) and the police objective analysis – segmentation of expenditure over the categories as part of the nationally agreed Police Objective analysis;
  - Senior officer pay – disclosure of remuneration over £50k in bands of £5k. Naming of individuals earning over £150k. It is anticipated the new Regulations will take effect on 31 March 2010 and therefore will affect the 2009-10 accounts; and
  - Council tax debtor

### **Draft Code of Corporate Governance**

6. There is a requirement for the Committee to consider and approve a Code of Corporate Governance in preparation for the Annual Governance

Statement. The Code is intended to contain the principles of good governance and includes arrangements for its ongoing application and effectiveness. Following consideration by the Committee, the Code needs to be approved by the Authority. A copy of the Code, as amended by the Committee, is attached for approval by the Authority.

### **Continuous Improvement Group (Inspections Working Group)**

7. The Chief Executive reported that the Police Authority Inspection had taken place over the past week (15-19 March 2010) and members and officers from the Authority, officers from the Force and other partners had all been involved. The draft Inspection Report is anticipated for release on 27 April 2010 with the formal publication taking place on 17 June, along with the inspection reports of the other police authorities involved in the second tranche of inspections. The Chief Executive thanked everyone for the considerable effort and work that had gone into preparing for and as part of the inspection process.

### **Risk Management**

- 8.1 The Committee received a report on Risk Management which is exempt under paragraph 14 of Schedule 12A of the Local Government Act 1972.
- 8.2 The report highlights for scrutiny a range of risks identified for both the Authority and the Force. The Risk Management System (RMS) can provide a wide range of reports to assist the Authority in fulfilling their oversight of the Force and in management of the risk specific to the Authority. The Committee considered the types of risks to be reported to future meetings and agreed that longer term strategic risks.

### **Revised Members' Handbook**

9. It was previously agreed by the Committee that there should be a periodic review of the contents of the Members' Handbook. The Members' Handbook, which is designed to assist members in their work as a Member of the Police Authority, is revised and published annually. A comprehensive review of the Handbook has now been undertaken to provide a guide to what the Authority does and how members can contribute most effectively to the work of the Police Authority on behalf of the people of Sussex. A hard copy of the handbook will be produced for members, and a copy is also available on the Police Authority's website.

**Recommended** – that the report be noted including the following action:  
(1) the Authority approve the Code of Corporate Governance in preparation for the Annual Governance Statement.

ALAN PRICE JP  
Chairman

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