



NOTTINGHAMSHIRE
POLICE

PROUD TO SERVE

**The Chief Constable of
Nottinghamshire
Statement of Accounts
2015-2016**

The Chief Constable of Nottinghamshire Statement of Accounts Contents Page

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The Narrative Report

1 Introduction

This is the Statement of Accounts for the legal entity of the Chief Constable as created under the Police Reform and Social Responsibility Act 2011 (The Act). The Act was a major reform to the governance of policing. It created two legal entities the Chief Constable of Nottinghamshire (CCN) and the Nottinghamshire Police & Crime Commissioner (the Commissioner).

Each legal entity is required to produce its own Statement of Accounts and Annual Governance Statement. The Accounts are consolidated into the Group Accounts (the Group) of the Police & Crime Commissioner and therefore the Chief Constable's Accounts are similar to those of a subsidiary company in the private sector. It is recommended that the Group Accounts are also read to get the full view of Nottinghamshire policing.

The resources provided by the Commissioner to the Chief Constable are used to achieve the requirements of the Police & Crime Plan (the Plan) and the Commissioner holds the Chief Constable to account in relation to delivery against the Plan. Based upon this principle these Accounts reflect the cost of the service that the Chief Constable has provided in the achievement of the Plan.

The Accounts have been prepared on the basis that the Chief Constable is a going concern.

The Narrative Report provides a clear guide to the most significant matters reported in the Statement of Accounts. The numbers within the financial statements have been rounded to an appropriate level. This rounding does in some cases cause some statements to appear mathematically incorrect by a small value.

2 Review of 2015-2016 - Chris Eyre, Chief Constable

Nottinghamshire Police is an outstanding police force, determined to deliver an exceptional service to our communities.

Over the last year we have worked hard to focus our resources to allow us to protect the vulnerable and reduce the threat our communities face from current and emerging crime.

We are now working to deliver our new operating model, which will assist this aim, while allowing us to continue to work collaboratively with other police forces and partners to deliver specialist services at a reduced cost. Since 2010 we have merged all our specialist crime units with those of Derbyshire, Leicestershire, Lincolnshire and Northamptonshire to target the most serious criminals and terrorists, who present the greatest risks to our society, whilst making substantial savings.

We are currently restructuring our support services to enable us to improve efficiency and align our teams, preparing us for our future direction. We continue to build and develop local policing services that are integrated with other public agencies.

The staff who work in our support services are now delivering our Information Services, Human Resources and Finance functions through regional collaborations and have shared Assistant Chief Officer (Resources) with Leicestershire and Northamptonshire for Finance, Resources, HR and also imminently for Information Services.

In 2015 we successfully transferred financial and HR transactional processing to the Multi-Force Shared Service (MFSS), joining Cheshire Constabulary and Northamptonshire Police. Future years will see more forces joining the collaboration to maximise efficiencies.

During 2015-2016 a proof of concept for a Strategic Alliance with Leicestershire and Northamptonshire was agreed between all of the respective Chief Constables, Commissioners and Chief Executives. In March 2016 the outline business case was approved to move forward with a closer alliance. This alliance will seek to reduce duplication and bureaucracy, while unifying command structures and operations in a borderless environment. It will result in providing the most efficient and effective service to the public.

In 2016 we went live with a new ICT system called Niche, which provides integrated databases for crime, intelligence, case and custody, not only across the whole of Nottinghamshire Police, but it will soon be integrated across the five East Midlands police services. This provides financial and operational efficiencies within the whole criminal justice arena.

All this is taking place at the same time as we are working hard at a local level with the city, county and district councils, and with Nottinghamshire Fire and Rescue to redesign local services to deliver better service to our communities at a reduced cost. This year saw, under the Aurora II programme, greater integration with the City Council, culminating in a move to the new Central Police Station at Byron House.

The financial context for all of this work remains challenging with government funding reductions anticipated throughout the current Comprehensive Spending Review. The Commissioner and I are determined that as our organisation shrinks, as a consequence of the efficiency savings, we continue to provide the best possible service, an exceptional one, to our communities.

3 The Financial Statements

The Accounts are prepared in accordance with the Code of Practice on Local Authority Accounting 2015-2016 (The Code) which fully incorporates International Financial Reporting Standards (IFRS). The Auditors opinion will be provided in one report which will be included in the Group Statement of Accounts.

The main sections contained within the Statement of Accounts are:

- **Annual Governance Statement**
The Chief Constable of Nottinghamshire is responsible for the operational activities of the Force. This responsibility is discharged in accordance with statutory requirements, the Oath of Police Officers, the Police Discipline Code, Police Regulations and the Scheme of Delegation. There is joint responsibility with the Commissioner for ensuring that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. In discharging this accountability senior officers are responsible for putting in place proper procedures for the governance and the stewardship of the resources at their disposal. The annual review of the system of Governance and Internal Control has been included within the arrangements for the Annual Governance Statement. The Annual Governance Statement details how the right things are done, in the right way, for the people of Nottinghamshire, in a timely, inclusive, open, honest and accountable manner.

- **The Statement of Responsibilities**
This sets out the respective responsibilities of the Chief Constable and the Chief Financial Officer of Nottinghamshire Police and also includes the signed certificate of approval
- **The Report of the Auditors**
This gives the major findings of the external audit and the audit opinion
- **Comprehensive Income & Expenditure Statement (CIES)**
This Statement shows the accounting cost in the year of providing services in accordance with The Code
- **Movement in Reserves Statement**
This statement shows how the surplus or deficit of the year has affected the reserves held on the Balance Sheet
- **Balance Sheet**
This statement shows the assets and liabilities
- **Cash Flow Statement**
The Chief Constable holds no cash and cash equivalents
- **Notes to the Accounts including Accounting Policies**
These provide additional information concerning items in the above statements and additional relevant information, including the relevant accounting policies. The accounting policies are congruent with policies as adopted by the Commissioner

4 **Review of the Financial Statements**

There are no changes to accounting policies this year and the main changes to the statements are as a result of amendments to the Code. The major change in 2015-2016 is the replacement of the explanatory foreword with a narrative report.

The accounts are produced on a 'true economic cost basis' which differs from the cost required to be met from taxpayers. The Pension Reserve absorbs the timing differences between the difference in accounting and funding for post-employment benefits in accordance with statutory provisions. The CIES recognises the benefits earned by employees accruing service. The liabilities are adjusted for inflation, valuation assumptions and investment returns. Statutory arrangements require benefits to be financed as employers contributions are paid to pension funds and pensioners. The debit balance on the Pension Reserve represents a substantial shortfall in the benefits earned by past and current employees and the resources set aside to meet them. The statutory arrangements ensure that funding will meet payments.

This has a significant impact on the surplus or deficit for the year and on the value of the Balance Sheet, particularly in respect of pension calculations which are based on actuarial valuations as opposed to the transactions which have taken place in the year. The impact on the CIES for the pension's adjustments alone was a cost of £74.7m The Balance Sheet for the Chief Constable mainly comprises the pensions liability.

5 Key Financial Data

Chief Constable of Nottinghamshire spent £211.6m on the following in 2015-2016

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Sources of Income

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2014-2015 Actual Comparator	Revenue Budget	2015-16 Budget £000	2015-16 Actual £000	2015-16 Variance £000
165,250	Employee Costs	158,272	161,040	2,769
5,944	Premises	5,931	6,756	826
5,708	Transport	5,833	6,284	451
3,562	Collaboration Services	6,624	8,926	2,302
6,993	Capital Financing	4,742	3,474	-1,268
22,388	Other	16,907	25,145	8,238
44,595	Running Costs total	40,037	50,586	10,549
209,845	Expenditure	198,308	211,626	13,317
-16,615	Income & Other Grant	-11,833	-17,427	-5,594
193,230	Net of income	186,475	194,199	7,724
-4,010	Contribution from Reserves	-1,600	-9,324	-7,724
189,220	Funding from the Commissioner	184,875	184,875	0

6 Pensions

Both Police Officers and Police Staff participate in different defined benefit pension schemes. These provide members with retirement lump sums and monthly pensions related to pay and service. The Police Officers scheme is unfunded and met by payments from the Home Office. Police Staff may join the Local Government Pension Scheme (LGPS); this is a funded scheme administered by Nottinghamshire County Council.

Pension Costs are included in the cost of service provision. The CIES includes the cost of pensions at current service cost adjustment.

Full notes relating to Pension Schemes are included within the Group Accounts.

7 Joint Operations

There are a number of regional collaborations in place where the Chief Constable and Commissioner have entered into collaboration agreements for the provision of particular services. These are included in the CIES as a cost against the specific category of expenditure. This includes operational and support functions. The detailed accounts relating to the Joint Operations (JO) are provided in the Group Accounts.

8 Post Balance Sheet Events

There are no adjusting post balance sheet events that impact on these statements, however on 23 June, the EU referendum took place and the people of the United Kingdom voted to leave the European Union. Until exit negotiations are concluded, the UK remains a full

member of the European Union and all the rights and obligations of EU membership remain in force. During this period the Government will continue to negotiate, implement and apply EU legislation. It will be for the Government, under the new Prime Minister to begin negotiations to exit the EU. The outcome of these negotiations will determine what arrangements apply in relation to EU legislation and funding in future once the UK has left the EU. This is therefore a non-adjusting event for which no estimate of its financial effect on the reporting entity can be made.

9 Future Outlook

The Government have committed to significant cuts in public sector budgets. However, for the current Comprehensive Spending Review (CSR) period policing has had some protection, by remaining cash neutral. This means that reductions in expenditure need to meet mainly inflation and pay increases, although funding of the national increase in “top-slicing” will ultimately reduce government grant funding available to local policing.

A mid-term CSR is expected in 2016-2017, and following the UK’s recent referendum result to leave the European Union, an emergency budget is expected in the autumn 2016. This is likely to put further pressure on Public Sector expenditure; however the impact from this is currently unknown. The review of the Police funding formula is also ‘on hold’ and will be affected by the determination of which policing service elements should be provided locally, regionally or nationally.

Statement of Responsibilities

The Chief Constable of Nottinghamshire's Responsibilities

The Chief Constable is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. The Chief Constable has designated this undertaking to the Chief Financial Officer
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- Ensure that there is an adequate Annual Governance Statement
- Approve the Statement of Accounts

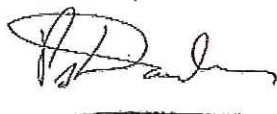
The Chief Financial Officer Responsibilities

The Chief Financial Officer is responsible for the preparation of the Chief Constable's Statement of Accounts in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom. The statement is required to present fairly, the financial position of the Chief Constable as at the accounting date and its Income and Expenditure for the year ended 31 March 2016.

In preparing the Accounts, the Chief Financial Officer has:

- Selected suitable Accounting Policies and then applied them consistently
- Made judgements and estimates that are reasonable and prudent
- Complied with the Code of Practice
- Kept proper records which are up to date
- Taken reasonable steps for the prevention and detection of fraud and other irregularities

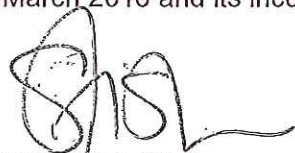
I certify that in my opinion the Statement of Accounts present a true and fair view of the financial position of the Chief Constable of Nottinghamshire at 31 March 2016 and its Income and Expenditure for the year ended 31 March 2016.



Paul Dawkins

ACO Finance & Resources Leicestershire, Northamptonshire and Nottinghamshire

I certify as the Chief Constable of Nottinghamshire that the Statement of Accounts presents a true and fair view of the financial position of the Chief Constable of Nottinghamshire at 31 March 2016 and its income and expenditure for the year ended 31 March 2016.



Susanah Fish

Chief Constable of Nottinghamshire

15 September 2016

Core Financial Statements

CS1	Comprehensive Income and Expenditure Statement
CS2	Movement in Reserves Statement
CS3	Balance Sheet
CS4	Cash Flow Statement

CS1 Comprehensive Income and Expenditure Statement

In April 2015 the Force moved to a new Oracle based ERP (Enterprise Resource Planning) system and the transactional processing functions within Finance and Human Resources transferred to the Multi Force Shared Service (MFSS). As a result of this move a number of initiatives were implemented being work to rationalise the chart of accounts structure, this has led to a reduced number of budget areas; new methodology was used to record accounting entries with more costs held centrally rather than at local levels to enable better budgetary control; and a review of how costs/areas are to be allocated to the Police Objective Analysis (POA) categories. This may cause some differences year on year as it was not possible to restate 2014-2015 into the 2015-2016 basis. The budgets were also presented grossed up this year including externally funded projects.

Support functions (ie Finance, Human Resources, etc) and central costs are allocated to POA categories directly where they are solely responsible for that cost or income, otherwise they are apportioned across categories based of each categories percentage of the total base cost.

2014-2015				2015-2016			
Gross Exp' £000	Gross Income £000	Net Exp' £000		Gross Exp' £000	Gross Income £000	Net Exp' £000	Note
105,589	-5,630	99,959	Local Policing	99,146	-7,067	92,079	a
18,892	-406	18,486	Dealing with the Public	20,902	-715	20,187	b
19,396	-1,309	18,087	Criminal Justice Arrangements	17,538	-1,489	16,049	c
6,253	-2,046	4,207	Road Policing	7,038	-2,325	4,713	d
10,931	-1,123	9,808	Specialist Operations	13,093	-2,579	10,514	e
11,957	-1,174	10,783	Intelligence	13,595	-660	12,935	f
43,038	-1,457	41,581	Investigation	56,662	-2,899	53,763	g
7,506	-134	7,372	Investigative Support	7,057	-264	6,793	h
5,124	-3,312	1,812	National Policing	4,111	-3,291	820	i
244	0	244	Corporate and Democratic Core	168	0	168	
777	0	777	Non Distributed Costs	289	0	289	
0	-221,332	-221,332	Funding from the Commissioner	0	-230,526	-230,526	
229,707	-237,923	-8,216	Cost Of Services	239,599	-251,815	-12,216	3
			Financing and Investment Income & Expenditure -				
101,310	-18,629	82,681	pensions interest	94,718	-5,868	88,850	3
331,017	-256,552	74,465	Surplus (-) or Deficit on Provision of Services	334,317	-257,683	76,634	
			Other Comprehensive Income & Expenditure				
		252,424	Pension Fund Adjustment under regulations			-359,481	4
		326,889	Total Comprehensive Income & Expenditure			-282,847	

Notes to the CIES: 2015-2016

- a** Local policing year on year reductions is largely due to the majority of police officers leaving once they have completed their 30 year services and an increased number of natural leavers. This has been combined with the PCSO restructuring programme as part of the Designing the Future (DTF) which resulted in c76 FTE's leaving the organisation; and a voluntary redundancy (VR) programme which was opened to police staff in the second half of the year.
- b** The increase year on year is largely the result of the allocation of support functions and central costs.
- c** The reduction year on year is largely due to the realignment of analysts to Intelligence; and the command function of Crime & Intelligence Command function to Investigations;
- d** The increase year on year is largely the result of the allocation of support functions and central costs.
- e** The increase year on year is largely the result of the move towards the collaborative arrangement for East Midlands Operational Support Service (EMOpSS) where we now are
- f** The increase year on year is partly due to analysts costs being previously reported within Criminal Justice Arrangements; combined with the allocation of support functions and central costs.
- g** The increase year on year is largely due to the realignment of areas from Local Policing and Criminal Justice Arrangements (see comments above); combined with the allocation of support functions and central costs.
- h** The year on year reduction is mainly due to savings on forensic and CSI costs; combined with the allocation of support functions and central costs.
- i** The year on year reduction is largely due to a cross over with investigation for EMSOU officers.

CS2 Movement in Reserves Statement

2015-2016	General Fund £000	Pensions Reserve £000	Accum' Absence £000	Total Unusable Reserves £000
Balance at 1 April 2015	0	2,461,811	5,360	2,467,171
Surplus (-) / deficit on the provision of services (accounting basis)	76,634	0	0	76,634
Other Comprehensive I & E - revaluation gains & losses	0	-359,481	0	-359,481
Total CIES	76,634	-359,481	0	-282,847
Adjustment between accounting basis & funding basis under regulations				
Pension costs adj between calculated in accordance with IAS19 and the contributions due under pension scheme regulations	-134,392	134,392	0	0
Employers contribution to Pension Scheme	59,377	-59,377	0	0
Charges for Employee Benefits	-1,619	0	-1,619	-3,238
Balance at 31 March 2016	0	2,177,345	3,741	2,181,086
2014-2015 Comparators				
Balance at 1 April 2014	0	2,134,704	5,578	2,140,282
Surplus (-) / deficit on the provision of services (accounting basis)	74,465	0	0	74,465
Other Comprehensive I & E - revaluation gains & losses	0	252,424	0	252,424
Total CIES	74,465	2,387,128	5,578	2,467,171
Adjustment between accounting basis & funding basis under regulations				
Pension costs adj between calculated in accordance with IAS19 and the contributions due under pension scheme regulations	-130,037	130,037	0	0
Employers contribution to Pension Scheme	55,354	-55,354	0	0
Charges for Employee Benefits	218	0	-218	0
Balance at 31 March 2015	0	2,461,811	5,360	2,467,171

CS3 Balance Sheet

31 March 2015 £000		31 March 2016 £000
-5,360	Short Term Creditor - Accumulated Absences	-3,741
-2,461,811	Long Term Creditor - Net Pension Liabilities	-2,177,345
-2,467,171		-2,181,086
	Unusable Reserves	
5,360	Accumulated Absences	3,741
2,461,811	Pension Reserves	2,177,345
2,467,171		2,181,086

CS4 Cash Flow Statement

31 March 2015 £000		31 March 2016 £000
74,465	Net surplus (-) or deficit on the provision of services	76,634
	Adjustment for non cash movements	
218	Accumulated absences	-1,619
-74,683	IAS 19 Pension Adjustments	-75,015
0	Representing cash and cash equivalents	0

Notes to the Accounts including Accounting Policies

1 General Principles

The Commissioner is a separate entity to the Chief Constable and the relationship is clearly defined in the Governance Arrangements. The Commissioner is the lead controlling influence in the Group.

The Chief Constable is deploying staff and officers employed, controlled and paid for by the Commissioner to provide the policing service in Nottinghamshire and in the achievement of the Commissioner's Plan. The legal status has the Commissioner as the source of transactions and the reality of this is borne out through the level of control exerted.

Annual Statement of Accounts are required to be published under the Accounts and Audit Regulations 2011, in accordance with proper accounting practices. These practices primarily comprise of the Code of Practice on Local Authority Accounting in the United Kingdom 2015-2016 (The Code) and the Best Value Accounting Code of Practice 2015-2016, supported by International Financial Reporting Standards (IFRS). The CIES summarises transactions for the financial year and the Balance Sheet summarises the position at the end of the year.

The Accounts have been prepared on a 'going concern' basis. Under The Act, The Chief Constable and the Commissioner are separate 'Corporation Sole' bodies. Both are required to prepare separate Statement of Accounts.

2 Accruals of Income and Expenditure

Revenue is measured at fair value in the year to which it relates, and not when cash payments are made or received. All the expenditure is paid for by The Commissioner, but recognition in the Group and The Chief Constable Accounts is based on the economic benefit of resources consumed. In particular:

- Fees, charges and rents due are accounted for as income at the date of supply
- Supplies are recorded as expenditure when they are used
- Expenditure in relation to services received is recorded as services are received, rather than when payments are made
- Interest receivable on investments and payable on borrowings is accounted for as income or expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract
- Where debts are doubtful, the debt is written off by a charge to the CIES

3 Exceptional Items

There are no exceptional items applicable in the year.

4 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

There are no prior period adjustments or changes in Accounting Policies, applicable to the Chief Constable in 2015-2016.

In applying accounting policies, the Chief Constable has had to make certain judgements about complex transactions or those involving uncertainty about future events. There are no critical judgements made in the Statement of Accounts. The largest area of estimation included within the accounts is in staff related costs. Accruals for overtime, bonuses, early retirement costs and other one off payments have been checked retrospectively and found to be reasonable.

5 Charges to the CIES for Non-Current Assets

The CIES is charged with the following amounts to record the true cost of holding fixed assets:

- Depreciation of Non-Current Assets
- Revaluation and Impairment losses on assets used where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- Revaluation Gains reversing previous losses charged to the CIES
- Amortisation of Intangible Assets

6 Government Grants and Contributions

All grants, third party contributions and donations are received by the Commissioner.

7 Joint Operations

These are accounted for in accordance with IAS 31 - Interests in Joint Ventures, according to agreed proportions of use. They are all governed by Section 22 Agreements. They are explained briefly in item 7 of the Narrative statement.

The cost relating to these activities are shown within the memorandum accounts. Full details are included within the Group Accounts.

8 Overhead Costs

The Service analysis is based on Service Expenditure analysis Code of Practice (SeRCOP) 2015-2016, as modified by the Police Objective Analysis. The costs of overheads are fully allocated to services. The one exception is that the cost of discretionary benefits awarded to employees retiring early is a Non Distributed Cost.

9 Provisions

Provisions are made where an event has taken place that gives a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

10 VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

11 Resources used in Provision of Police Services

Although all transactions during the year are solely within the Accounts of the Commissioner and all assets are owned and controlled by the Commissioner, the Chief Constable has used resources to provide policing, and the true cost of this is included in the CIES. It includes the cost of depreciation on assets owned as a proxy for the rental value. It includes all adjustments required under IFRS for accrued employee benefits and pension costs.

11.1 Income within Cost of Services

2014-2015 £000		2015-2016 £000
-6,360	Partnership and Joint Controlled Operations	-5,531
-1,858	PFI Grant	-1,858
-1,684	Recharge of Officers	-3,557
-6,689	Other Income	-10,343
-16,591	General Income	-21,289
-221,332	Funding from Commissioner	-230,526
-237,923	Total	-251,815

12 External Audit Costs

KPMG LLP are the appointed external auditors, the cost of which was £0.015m (£0.020m in 2014-2015).

13 Pensions

Full details of these defined benefit pension schemes can be found within the Accounts of the Group. As part of employment conditions, the Group makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the value of this is included within the CIES.

14 Leases and PFI

PFI and similar contracts are agreements for the Commissioner to receive services, where the responsibility for making available the Property, Plant and Equipment needed to provide the services remains with the PFI contractor. Leases and PFI agreements are treated in accordance with IFRS and the value of these are included within the CIES. Full details of these schemes can be found within the Accounts of the Group.

15 Officer Emoluments

Benefits Payable during Employment

Short-term Employee Benefits are those due to be settled within 12 months of the year-end. This includes salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars). An accrual is made for the cost of holiday entitlements or any form of leave, e.g. time off in lieu earned, but not taken before the year-end, which an employee can carry forward into the next financial year. The accrual is made at the payment rates applicable in the following accounting year, being the period in which the employee takes the benefit.

15.1 Employees earning over £50,000

Employees receiving over £50,000 remuneration for the year are shown in the table below excluding the senior officers reported in note 19.2., and are all within the Chief Constable entity. It includes 3 above the rank of Superintendent plus 2 temporarily above that rank (4 in 2014-2015).

2014-2015 No of employees	Remuneration Band	2015-2016 No of employees
122	£50,000 - £54,999	89
60	£55,000 - £59,999	50
14	£60,000 - £64,999	13
8	£65,000 - £69,999	7
4	£70,000 - £74,999	9
8	£75,000 - £79,999	3
2	£80,000 - £84,999	6
1	£85,000 - £89,999	2
1	£90,000 - £94,999	0
220		179

15.2 Senior Officers Remuneration

The following table sets out the remuneration for senior officers posts. The officers included in this table are not included in Note 15.1.

2015-2016 Post Holder Information	Notes	Salary £	Benefits in Kind £	Other Payment £	Sub Total £	Employers Pension Contrib' £	Total inc Pension Contrib' £
			Note 1	Note 2			
2015-2016							
Chief Constable (Chris Eyre)		145,847	5,962	3,554	155,363	35,295	190,658
Deputy Chief Constable		120,320	8,641	7,648	136,609	29,118	165,727
Assistant Chief Constable - Crime, Justice & Protective Services		101,805	375	3,554	105,734	24,420	130,154
Assistant Chief Constable - Local Policing		104,991	5,425	3,554	113,970	24,826	138,796
Total Chief Constable		472,963	20,403	18,310	511,676	113,659	625,335
2014-2015							
Chief Constable (Chris Eyre)		144,403	6,359	3,554	154,316	34,945	189,261
Deputy Chief Constable		119,128	10,407	7,734	137,269	28,829	166,098
Assistant Chief Constable - Crime, Justice & Protective Services		100,910	5,929	3,554	110,393	24,420	134,813
Assistant Chief Constable - Local Policing		100,801	5,745	3,554	110,100	24,394	134,494
Assistant Chief Officer - Resources	a	80,537	6,903	0	87,440	8,698	96,138
Total Chief Constable		545,779	35,343	18,396	599,518	121,286	720,804

Note 1: Benefits in Kind include taxable expenses e.g. mileage, car allowances, medical expenses and mortgage interest payments relating to relocation.

Note 2: Other payments includes Rent Allowance, Housing Allowance, Compensatory Grant and Compensation for Loss of Office.

Note a Post holder left and not replaced 31.12.14

16 Termination Benefits

Termination benefits are payable as a result of a decision to terminate an employee's employment before the normal retirement date or an acceptance of voluntary redundancy. These are charged to the CIES when the Group is demonstrably committed to the decision.

109 contract were terminated during the year (31 in 2014-2015), incurring costs of £1.3m (£0.5m in 2014-2015). This comprised redundancy payments of £0.8m and pension strain costs of £0.5m. Other departures agreed cover voluntary redundancies and compromise agreements. All of the costs were included within the CIES. Of the 109 employees, 26 relate to voluntary redundancies approved prior to 31st March who will actually leave during 2016-2017 at a cost of £0.6m. There were no material payments in relation to injury awards during the year ended 31 March 2016.

Exit Package cost band (inc special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages		Total cost of exit packages	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
							£000	£000
£0 - £20k	8	46	16	46	24	92	202	541
£20 - £40k	1	1	3	8	4	9	118	298
£40 - £60k	0	1	1	6	1	7	44	340
£60 - £80k	1	0	0	0	1	0	60	0
£80 - £100k	0	0	0	1	0	1	0	88
£100 - £150k	1	0	0	0	1	0	124	0
Total	11	48	20	61	31	109	548	1,267

17 Related Parties

The Chief Constable is required to disclose material transactions with related parties. These are bodies or individuals that have the potential to control or influence the organisation or vice versa. Disclosure of these transactions allows transparency to the extent that the Chief Constable might have been constrained in its ability to operate independently, or might have secured the ability to limit another party's ability to bargain freely.

The Commissioner as the parent corporation asserts a significant influence over the Chief Constable as previously indicated in Note 1.

Central Government has significant influence over the general operations of the Chief Constable, as it is responsible for providing the statutory framework within which it operates.

Senior managers complete a declaration of personal interests because they influence decision making.

Joint arrangements and collaborations are areas where significant influence can be exerted by all parties. More information is included in the explanatory foreword item 7.

18 Accounting Standards Issued but not Adopted

The following standards issued during 2015-2016 but not adopted include:

- Amendments to IAS 19 employee benefits
- Annual improvements to IFRSs 2010-2012 cycle and 2012-2014 cycle
- Amendment to IFRS Joint Arrangements (accounting for Acquisitions of interests in Joint Operations)
- Amendment to IAS 1 Presentation of Financial Statements (Disclosure Initiative)

The impact of these standards on the financial statements of the Chief Constable is not expected to be material.



Independent auditor's report to the Chief Constable for Nottinghamshire

We have audited the financial statements of the Chief Constable for Nottinghamshire for the year ended 31 March 2016 on pages 10 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16.

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Chief Constable, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Force Chief Financial Officer and auditor

As explained more fully in the Statement of the Chief Financial Officer's Responsibilities, the Force Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that the financial statements give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Chief Constable's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Force Chief Financial Officer; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Narrative Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the Chief Constable as at 31 March 2016 and of the Chief Constable's expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16.

Matters on which we are required to report by exception

The Code of Audit Practice requires us to report to you if:

- the Annual Governance Statement set out on pages 21 to 47 does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007; or
- the information given in the Narrative Report for the financial year for which the financial statements are prepared is not consistent with the financial statements; or

- any matters have been reported in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of, the audit; or
- any recommendations have been made under Section 24 of the Local Audit and Accountability Act 2014; or
- any other special powers of the auditor have been exercised under the Local Audit and Accountability Act 2014.

We have nothing to report in respect of these matters.

Conclusion on Chief Constable for Nottinghamshire's arrangements for securing economy, efficiency and effectiveness in the use of resources

The Chief Constable's responsibilities

The Chief Constable is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities

We are required under Section 20(1) (c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Comptroller and Auditor General (C&AG) requires us to report to you our conclusion relating to proper arrangements.

We report if significant matters have come to our attention which prevent us from concluding that the Chief Constable has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by C&AG in November 2015, as to whether the Chief Constable for Nottinghamshire had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The C&AG determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Chief Constable for Nottinghamshire put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Chief Constable for Nottinghamshire had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.



Conclusion

On the basis of our work, having regard to the guidance issued by the C&AG in November 2015, we are satisfied that, in all significant respects, the Chief Constable for Nottinghamshire put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016.

Certificate

We certify that we have completed the audit of the financial statements of the Chief Constable for Nottinghamshire in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

A handwritten signature in black ink, appearing to read 'A Cardoza', with a stylized flourish at the end.

Andrew Cardoza

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

St Nicholas House

31 Park Row

Nottingham

NG1 6FQ

29 September 2016

Nottinghamshire Police Annual Governance Statement 2015/16

1.1 *Scope of responsibility*

Nottinghamshire Police is responsible for ensuring that 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 Force 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.

In discharging this overall responsibility, Nottinghamshire Police is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

The Chief Constable of Nottinghamshire Police and the Police and Crime Commissioner (PCC) for Nottinghamshire have adopted a Joint Code of Corporate Governance, which is consistent with the principles of the CIPFA/ SOLACE Framework 'Delivering Good Governance in Local Government'. A copy of the Code of Governance can be obtained from the Nottinghamshire Office of Police and Crime Commissioner (NOPCC) website at <http://www.nottinghamshire.pcc.police.uk>.

This Statement explains how the Force has complied with the Code and also meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

1.2 *The purpose of the governance framework*

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

2.0 The governance framework

The principles which form the basis of the governance framework and how they are applied within the Force are described in the following sections.

2.1 *Principle 1: Focusing on the purpose of the Force, and on outcomes for the community, and creating and implementing a vision for the local area*

2.1.1 The Police and Crime Plan

The local direction and priorities for the Force are set in the Police and Crime Commissioner's (PCC's) Police and Crime Plan, which was created following a comprehensive multi-agency strategic assessment. The Force and local partner organisations each completed a Local Profile assessment. Local Profiles were aggregated together with outcomes of community consultation and engagement, to inform the Police and Crime Needs Assessment (PCNA) and subsequently

the refresh of the Police and Crime Plan.

The PCC has provided a commitment to the public to deliver safer communities; improved trust and confidence in policing and value for money policing services.

2.1.2 Strategic Policing Requirement

At a national level, the Force work to the Strategic Policing Requirement (SPR) which is issued by the Home Office to articulate current national threats and the appropriate national policing capabilities required to counter those threats. The SPR is considered as part of the Force Strategic Crime Intelligence Assessment which in turn informs the PCNA and the Police and Crime Plan.

2.1.3 Delivery and monitoring

The monthly Performance and Insight Pack (P&I Pack) reports against the strategic priority themes set out in the Police and Crime Plan. This considers performance against target as well as trends over time. Additional insight is also given for those areas of performance which are of concern to the Force.

The P&I Pack is reported to the Force Executive Board (FEB) and the Force Performance Board on a monthly basis. It is also presented to the NOPCC's Strategic Resources and Performance Meeting to inform them of the key performance headlines. The minutes of this meeting, along with the P&I Pack, are made available on the NOPCC website so they are accessible to members of the public.

A review of the Force's approach to performance management was commissioned during 2015/16 to focus on the commission, production, circulation and consumption of performance management information. The review will also examine the types of performance decisions that are made across the organisation. Additionally, and in order to deliver a performance framework that aligned to future changes, there are opportunities to link in with and help shape regional developments in performance management. This review is still on-going.

2.2 Principle 2: Leaders, officers and partners working together to achieve a common purpose with clearly defined functions and roles

2.2.1 Police Reform and Social Responsibility Act 2011 (PRSR)

Each PCC and their respective Chief Constable is established in law as a corporation sole within the PRSR 2011 Act. As such, both are enabled by law to employ staff and hold funds in their official capacity. Chief Constables are changed with the impartial direction and control of all constables and staff within the police force that they lead.

2.2.2 The Policing Protocol

The Force is compliant with the Policing Protocol, which was issued in accordance with the Police Reform and Social Responsibility Act 2011 and sets out how the functions of the PCC, Chief Constable and Police and Crime Panel will be exercised in relation to each other.

2.2.3 Scheme of Good Corporate Governance and Working Together

The NOPCC and Force operate under a comprehensive 'Working Together Agreement' which comprises of the scheme of consent, the Joint Code of Corporate Governance, Financial Regulations and Contract Standing Orders. The document was introduced in 2014 to give clarity to the way the NOPCC and the Force will govern both jointly and separately to ensure that they are conducting business in the right way, for the right reason at the right time.

Scheme of Consent

The Scheme of Consent sets out the extent of, and any conditions attached to, the PCC's consent to the Chief Constable and their respective staff. It outlines the Chief Constable's functions and powers and any statutory restrictions on the powers and conditions of consent from the PCC.

The Force's internal auditors, Mazars, undertook a review of the Force's Core Financials during 2015/16. It was identified that the current Scheme of Delegation does not reflect the purchasing embedded within the Multi Force Shared Services (MFSS) process and therefore there is a risk that spending is not authorised and controlled in line with Financial Regulations. A recommendation was made to for the NOPCC, the Force and MFSS to establish how the current authorisation limits, as agreed within the scheme of delegation, can be embedded into the current purchasing process. This is highlighted as an action for improvement during 2016/17.

Mazars also identified lack of up to date guidance for staff with regard to expenses, which may lead to inappropriate or invalid claims being made. The Force's Expenses Policy will be reviewed and updated during 2016/17 to ensure it is fit for purpose and includes clear guidance on all categories of expenses and consequences for staff who breach the policy. The policy will be reissued via Weekly Orders to all staff and officers to ensure awareness and compliance.

Joint Code of Corporate Governance

The Joint Code of Corporate Governance (the Code) has been developed by the PCC and the Chief Constable using the six principles of Good Corporate Governance as the framework for setting out local arrangements to deliver the 'Delivering Good Governance in Local Government' framework.

The Force's internal auditors reviewed the Code in 2015 and found that it is fully embedded within the governance framework and supports the focus and direction of both corporations sole. However, it was identified that the PCC's 'Governance and Decision Making Framework', which was last reviewed in November 2012, is not up to date and that it conflicts with the 'Working Together' document. This may lead to decisions not being made in line with current guidance and expectations and not subject to the correct approval and accountability process.

It was recommended that the NOPCC should undertake a review of the Governance and Decision Making Framework to ensure it remains up to date and fit for purpose in terms of the way decision are required to be made. This applies particularly to those with non-financial impact, or of significant public interest, which are not currently covered in the Working Together

Document. This action will be progressed under the Governance Workstream of the Strategic Alliance.

Financial Regulations

The Force's Financial Regulations are designed to establish overarching financial responsibilities, to confer duties, rights and powers upon the PCC, the Chief Constable and their statutory officers and to provide clarity about the financial accountabilities of groups or individuals. They apply to every member and officer of the service and anyone acting on their behalf.

Contract standing orders

Procurement at a local level is carried out in line with the Contract Procedure Rules and Standing Orders. The document updates the previous standing orders and reflects how the East Midlands Strategic Commercial Unit (EMSCU) manage strategic procurement across partner forces. The Orders set out the Business Code of Conduct for the NOPCC and the Force to advise on the minimum standards expected of all staff to ensure fairness and consistency of approach in line with sound commercial practice.

During an audit of procurement activity in 2015/16 Mazars identified some areas in the control environment where there is scope for improvement.

- The Force should consistently ensure that contracts are in place for all purchases over £25000 and these should be signed prior to commencement of the contract.
- A formal approval process should be established within the Force before new suppliers are entered onto the Oracle system.
- Management should look to implement an exception reporting system in conjunction with the MFSS to monitor payments which are outside of the approved process.

These actions are being robustly managed and reported to the FEB on a quarterly basis.

2.2.4 The role of the Chief Financial Officer

The role of Chief Financial Officer (CFO) is fulfilled by the Assistant Chief Officer for Finance and Resources for Nottinghamshire, Northamptonshire and Leicestershire.

As a key member of the leadership team, the CFO helps to develop and implement strategy and resource, and deliver the PCC's strategic objectives sustainably and in the public interest. They are actively involved in and able to bring influence to bear on, all business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and aligned with the financial strategy. They lead and encourage the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

2.2.5 Partnership working

The Force is committed to working in partnership to deliver its priorities. By working with other organisations and agencies the Force can provide the very best service to its communities. It is essential that working in partnership with others is underpinned by a common vision that is understood and agreed by all parties.

City partnerships

There are strong governance processes in place for the City partnerships. Each of the partnerships under the One Nottingham umbrella, including the Crime Drugs Partnership (CDP), have clear terms of reference including a clearly defined purpose, arrangements for information sharing, community engagement and governance and finance.

The CDP Plan 2015-20 sets out the overall aims and delivery and performance framework of the partnership to deliver the 'safer' agenda of the 'Nottingham Plan to 2020'. The Partnership Plan has been developed with regard to the priorities of the Police and Crime Commissioner. It is informed by an annual assessment of threat, risk, harm, volume and response, which identified priorities for the City.

There is a robust governance framework in place to oversee the delivery of the Plan. This is directed by the Partnership Board, which provides strategic governance of the partnership. There is also a Citywide Priority Tasking Group, which provides leadership in operational matters and Themed Strategic Groups and Task and Finish Groups, which coordinate action at an operational level. Neighbourhood Action Teams coordinate action with a strong focus on high impact neighbourhoods.

The Partnerships Support Team have a clear remit to build and manage strategic and tactical plans, monitor performance, identify risks and provide coordination between agencies.

County partnerships

There is robust governance in place to manage County partnership working. The strategic partnerships to which the Division belongs are underpinned by a common vision and objectives, which are outlined in terms of reference for the Safer Nottinghamshire Board (SNB).

The SNB is responsible for setting strategic direction for community safety and substance misuse. The Board ensures the effective delivery of the Nottinghamshire Community Safety Strategy, supports the statutory local Community Safety Partnerships (CSPs) to deliver their community safety strategies and ensures effective performance management arrangements are in place.

The four statutory CSPs are responsible for the delivery of local community safety strategies and action plans. The SNB Delivery Groups support the SNB and CSPs to implement the community safety strategies.

Each of the three CSPs in the County produce performance information on a monthly basis. This includes reporting on current performance against targets, comparison against most similar force peers and performance of Partnership Plus areas. The SNB Performance Group brings together the CSP Chairs to discuss performance risks and highlights.

Performance is managed through a process of Strategic Assessment which highlights the business areas that need addressing. Problem profiles support a greater understanding of established and emerging crime or incident series, priority locations and other identified high risk issues in an area. Action plans are developed from this process to help deliver measurable

outcomes for local communities.

2.2.6 Collaborative working

Collaborative opportunities are increasingly being explored and arrangements put in place within the East Midlands region in order to maintain and improve service delivery whilst continuing to deliver significant cost savings.

The Collaboration Programme has established a governance structure to support the development of collaboration. This includes the East Midlands Police and Crime Commissioners Board (EMPCCB), which meets every two months and is attended by the regional PCCs, their Chief Executives and Finance Officers and the Chief Constables. The Board is constituted as a business meeting to coordinate strategic oversight and performance management of strategic assets. Members receive updates on collaborative projects, performance, threat and risk assessment and collaboration budgets. This is supported by the PCC and CEO Business Meeting, attended by the CEOs and PCCs and the Collaboration Efficiency Board.

In September 2015 the EMPCCB agreed to nominate a lead Police and Crime Commissioner for each area of regional collaboration to provide further scrutiny and assurance across that specific area. It was proposed that each head of each service would provide access to all appropriate strategic, tactical and performance information including finance reports and budgets to provide the level of assurance necessary to enable appropriate support and challenge through the PCC Board.

Building on the success of existing regional collaborations such as EMOpSS, EMCJS, Legal Services and EMSOU, a Strategic Alliance is now being pursued between Leicestershire, Northamptonshire and Nottinghamshire to explore the potential of further collaboration, to share resources and better protect the public.

Clear roles, responsibilities and meeting structures have been established to ensure robust governance arrangements as the Strategic Alliance is developed. The three DCCs and PCC Chief Executives have been given lead responsibility for developing a detailed design for each of the proposed portfolios within the Strategic Alliance.

A Design Authority meeting is held every two weeks, chaired by the Leicestershire DCC, this meeting brings together the three DCCs, three Chief Executives and the Programme Director. The Strategic Alliance Board meeting is held monthly, and allows the three Chief Constables and three Police and Crime Commissioners to hear the latest programme developments and make key decisions, based on recommendations from the Design Authority.

Each of the established collaborations has a Collaboration Agreement in place in line with Section 22a of the Police Act 1996 which outlines arrangements between two or more forces when working in collaboration. This includes the aims of the collaboration, the governance and accountability framework, roles and responsibilities, financial contributions, audit and inspection and information management arrangements. The Agreements are formally signed off by the PCCs and Chief Constables for the forces concerned and are continually reviewed and amended by the East Midlands Police Legal Services (EMPLS) to ensure they are fit for purpose.

2.3 Principle 3: Promoting values for the Force and demonstrating the values of good governance through upholding high standards of conduct and behaviour

2.3.1 Our Values and the Code of Ethics

The PROUD Value campaign, which was launched in 2012, included a full communications plan, personal briefings to teams by managers and incorporation of PROUD values in promotion processes.

When the Code of Ethics was introduced in July 2014, the Force explicitly linked it to the PROUD values. An email was sent to all officers and staff from the DCC informing them of the Code of Ethics, with links to the video and information from the College of Policing.

A clear structure of responsibility was established for embedding the Code by appointing strategic, operational and tactical leads.

The plan for the initial phase of embedding the Code was informed by national best practice from the College of Policing, as well as links with regional forces. It included briefings to senior managers and the NOPCC, communications on the intranet page and identification of business area champions across the organisation. The approach focused upon making staff aware of the Code of Ethics and how to use it, it was not a process based approach of a 'standing item' on policy documents and operational orders.

In 2015, the Force moved to the next phase of embedding the Code. This included a review of best practice from other forces. The next stage of communications, involving ethical dilemmas on the force intranet was started in March 2015. This included a weekly dilemma to encourage staff to consider and apply the Code of Ethics to.

The force Professional Standards and Integrity Board was amended to a 'Professional Standards, Integrity and Ethics Board'. The first ethical issue considered at this board was the offer of free bus travel to officers by local bus companies.

The Code of Ethics sits at the centre of the National Decision Model, so is explicitly referenced and considered in any decision making situation. It is emphasised during training such as Officer Safety Training, where decision making about use of force is covered. It is clearly set out in the policy booklets used by officers in command situations. It is also applied to personnel processes, policies and explicitly included in areas of work such as dealing with grievances.

2.3.2 Monitoring standards

Conduct and behaviour

Standards of conduct and personal behaviour required of all officers and staff are embedded in the Police Conduct Regulations, 2012, and the Police Staff Misconduct Policy and Procedure.

Standards are governed by the Professional Standards, Integrity and Ethics Board, which is chaired by the Deputy Chief Constable (DCC). The meeting's remit is to oversee integrity and monitor standards of behaviour and conduct within the Force, ensuring that they are in line with the Force values and have a positive impact on Force reputation and public confidence.

A report on IPCC investigations is presented at the NOPCC's Audit and Scrutiny Panel to inform the PCC on cases the Force has referred to the Independent Police Complaints Commission (IPCC). It also details any outcomes and recommendations the IPCC has referred back to the Force during this period, and other learning identified.

The 'early intervention process', which was introduced in 2014/15, has proved effective in enabling PSD to intercede as soon as possible where Officers or members of staff highlighted at being at particular risk of breaching conduct standards.

Complaints

There are robust mechanisms in place with respect to the governance of complaints in Force. Complaints are managed in accordance with statutory guidance provided by the IPCC. To provide internal assurance, a Performance and Insight Report, monitoring the complaints process, is produced on a monthly basis. This report provides statistical data and analysis on public complaints and allegations recorded by Division and Department, diversity monitoring of complainants and Officers and Staff receiving complaints, mode of resolution, timeliness and outcomes. The report is discussed in detail at the Professional Standards, Integrity and Ethics Board. All learning is captured and fed into a service improvement plan. Full detailed reports are also produced on a quarterly basis, which are a retrospective of the previous 12 months.

A monthly progress report is provided for Divisional and Departmental Heads detailing officers who are currently under suspension notices and restricted duties, outstanding local resolutions, employees subject to three or more complaints and stop and search complaint allegations.

The Force's AGS for 2014/15 highlighted a recommendation made by HMIC following the inspection of 'Police Integrity and Corruption', that the Force should 'review its capacity and capability to carry out proportionate investigations into public complaints to minimise delays'¹. Assurance has been provided that resources within PSD are regularly reviewed and fixed term contracts used where necessary to manage workload; recent data from the Independent Police Complaints Commission (IPCC) shows that the Force is now in line with national averages.

During 2015/16 HMIC inspected the Force to ascertain 'how legitimate the Force are at keeping people safe and reducing crime'. The overall judgement was 'good' and it was found that the Force dealt with complaints and misconduct fairly and consistently and investigations were free from bias. Furthermore the report stated that 'there were procedures in place which ensured consistent decision-making complaint investigations across officers and staff'.

Confidential reporting

There are clear processes in place around confidential reporting. The Professional Standards

¹ HMIC: Police Integrity and Corruption, November 2014, <http://www.justiceinspectorates.gov.uk/>

Reporting Procedure sets out the ways in which individuals within the Force can report breaches of PSD in a supportive and confidential environment. The Procedure was reviewed and refreshed in 2014 to reflect the introduction of Integrity Messenger, the Force's online confidential reporting tool.

Local resolution

Where appropriate, for less serious conduct issues, a process of local resolution may be used to address a complainant's concerns quickly and effectively, without the need for formal investigation. A 'guide to locally resolving complaints against police or police staff' is provided by PSD. The IPCC target time for locally resolving complaints is 28 days from the date it was first recorded. The Force's performance is measured against this target and against other forces.

Conflicts of interest

Force procedure regarding Business Interests and Additional Employment for Police Officers and Police Staff was revised during 2015/16 following HMIC's report 'Police Integrity and Corruption'. It was recommended that the Force should ensure that any secondary employment or business interest applications which have been declined or withdrawn are followed up on to ensure compliance. The Procedure has since been updated to ensure all refused interests are subject to review by line managers.

A redacted version of the Register of Approved Business Interests is published on the Force website annually; any changes are reported on a monthly basis to the Professional Standards, Integrity and Ethics Board.

The Notifiable Associations for Police Personnel Procedure was also reviewed during 2015/16. It identifies the procedures that should be followed should police personnel consider themselves the subject of, or suspect another member of staff to have, a notifiable association.

Integrity Health Check

A new process was introduced in 2014/15 whereby staff and officers receive an annual Integrity Health Check alongside their Personal Development Review (PDR). It has been identified, however, that as PDRs have not been carried out consistently during 2015/16 Integrity Health Checks have also not been completed for all officers and staff. A new electronic PDR process has now been introduced which incorporates the Integrity Health Check. It is recommended that the completion of PDRs is reported to Divisional and Departmental Heads to ensure compliance with the Integrity Health Check process.

2.3.3 Information assurance

Information management

Information management is governed through the Force Information Assurance Board (FIAB), chaired by the DCC as the Senior Information Risk Officer (SIRO). The role of the Board is to manage the effectiveness of information management arrangements to ensure that information held, processed and accessed by members of the Force and stakeholders is managed in line with legislative requirements.

During 2014/15 HMIC conducted 'Building the Picture', an inspection of police information management. As part of a local response to the 'Building the Picture' recommendations, a new Information Management Strategy (IMS) was developed and published. The purpose of the IMS is to set out a roadmap for further developing information management capability and effectively embedding an information assurance culture across the Force in line with guidance and standards issued as part of Authorised Professional Practice.

Information management training is managed and commissioned regionally via the Regional Information Assurance Group (RIAG). Due to the prioritisation of Niche implementation during this time it was decided that the new Information management training package will be scheduled for completion later in 2016.

Information Asset Owners (IAOs)

In 2014, the Force undertook an Information Asset Register Project. This project constituted of three stages, the first being engagement with identified IAOs in order to identify their information assets, their sensitivity/importance and through life management. Stage 2 constituted engagement with nominated Information Asset Delegates (IADs), who have day-to-day administrative responsibilities of each asset, in order to ensure correct protection and use of each asset.

The project has now entered Stage 3 'Continuous Improvement'. The sensitivity/importance of the identified information assets has been catalogued, allowing for closer scrutiny of each. This allows for the continual identification of Information Assurance improvements.

During the governance review it was identified that further training with IAOs is required during 2016/17 to ensure they fully understand their roles and responsibilities, including ownership of information risk and attendance at FIAB.

Data protection and 'Freedom of Information'

Nottinghamshire Police as a public authority have a legal responsibility to respond to Freedom of Information Act (FOIA) and Data Protection Subject Access Requests (DP SARs) within legislative deadlines. An annual report is presented to the Audit and Scrutiny Panel to provide the Panel with data on legislative compliance with the FOIA and DP SARs. This data is also presented at the FIAB quarterly.

The Force has a number of Information Sharing Agreements (ISAs) in place with partners and other agencies. ISAs identify the statutory or common law basis for sharing personal information and the extent and nature of the personal information to be shared. They also set out common standards for the processing and handling of such information, including quality, retention and security considerations.

All ISAs are formally approved by the SIRO who holds the National Police Chief's Council (NPCC) Portfolio for Information Sharing. In order to ensure all ISAs are fit for purpose they were reviewed during 2015/16.

Records Management requirements are currently identified as an area for review under the

Standards and Change programme for the Strategic Alliance. A Strategic Initiative Plan for Records Management has also been established under the umbrella of the Information Management Strategy. Each action is allocated ownership and the progress against actions is reported on quarterly at the FIAB.

Information security and assurance

The Information Security Team ensures that the Force continues to meet the required security standards to allow it to connect to the Public Services Network for Policing (PSNP) in line with Codes of Connection. The team engages with the National Accreditors and maintains a current PSN certificate of accreditation.

The team liaises with the National Policing Information Risk Management Team (NPIRMT), based at the Home Office, on national initiatives and projects. They also attend the local Regional Information Assurance Board (RIAG), chaired by DCC Fish, for regional initiatives and projects and the Police Information Assurance Forum (PIAF), biannually.

Information risk

An Information Risk Management Strategy was developed and published in 2015/16. The Strategy describes how the Force Risk Management Policy will be applied across all business areas, so that the management of risk becomes an integral part of the management of information assets. An Information Risk Register has been developed and risks are reported quarterly to FIAB.

It is acknowledged that the Information Risk Management process requires further development and this has been identified in an earlier action with the development of Corporate Risk Management.

2.4 Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

2.4.1 Decision making

Corporate Development and Finance are jointly responsible for implementing mechanisms to ensure all appropriate considerations are made when making a key decision, for example when writing business cases, scopes, project initiation documents, policies, procedures and strategy.

Decision making is recorded as part of minutes, action plans and decision logs. Key decisions from the FEB are no longer published on the Force's intranet, it is recommended that this requirement is reviewed and addressed in 2016/17. Additionally it is a requirement of the ICO Publication Scheme that the Force publish how key decisions are made on the external website. This should take the form of minutes of key Force meetings, such as the FEB. This is not currently done and has also been identified as an area for improvement for 2016/17.

An internal review of the current Force meeting structure was commissioned following a Chief Officer Team restructure in 2015. The objective of the review is to streamline the current meeting structure to facilitate an efficient and effective decision making framework. Outcomes

will also include up to date, concise terms of reference for each meeting, standardised templates for agendas and action and decision recording and clear meeting guidelines. This review is on-going.

Business planning

The Force has made significant developments in the introduction and governance of new activity during 2015/16. The 'Activity Request' process has been developed to implement further control over the introduction of new activity, outside of business as usual. The objective of this process is to ensure prioritisation of available resource in supporting departments, including Finance, HR, Assets and IS, and full oversight of improvement activity taking place in Force. This process has omitted duplication of activity and appropriate allocation of resource for prioritised activity.

There has also been improved governance and oversight of efficiency savings with a more robust process for identification and subsequent monitoring of realisation. Senior Responsible Officers (SROs) are responsible for producing business case for the efficiency targets and how these will be achieved; it will then be validated by both Finance and HR. This process ensures that all costs are accounted for and staff savings are accurately identified and not double counted across departments.

Delivery of the savings programme and the achievement of efficiency targets are monitored and reported to the Transformation Board. To ensure comprehensive management overview of the DtF Programme and associated efficiency savings, a dashboard has been developed which will be presented at the Board on a monthly basis. This includes an update on workstreams, key risks and issues and individual updates from Finance, HR and Procurement. This tool will enable proportionate monitoring and achievement of savings for the forthcoming year.

2.4.2 Joint Audit and Scrutiny Panel

In accordance with the Financial Management Code of Practice for the police service, issued by the Home Office, the PCC and the Chief Constable established a Joint Audit and Scrutiny Panel (the Panel) in 2013. The role of the Panel is to advise the PCC and Chief Constable on the adequacy of the corporate governance and risk management arrangements in place and the associated control environment, advising according to good governance principles and proper practices.

The Panel also assist the PCC and the Chief Constable in fulfilling their responsibility for ensuring value for money and they oversee an annual programme of scrutiny of key areas of policing activity on behalf of the PCC.

The Panel meets four times a year and consists of five independent members. The terms of reference for the Panel, meeting agendas, minutes and associated reports are published on the NOPCC's website in the interests of transparency and accountability.

The role of the Head of Internal Audit

In compliance with CIPFA guidance, the NOPCC and the Force have appointed a Head of Internal Audit. This role is contracted out to Mazars, who are responsible for the organisation's

internal audit service, on behalf of the CFO, including drawing up the internal audit strategy and annual plan and giving the internal annual audit opinion.

2.4.3 Risk management

The joint Risk Management Policy of the Force and the Office of the PCC has been in place since mid-2015. A Risk Management Process Guide has been produced alongside this to support managers in understanding how to apply the policy to the decision making process. Since the departure of the registered Risk Practitioner in July 2015, professional support and advice on corporate risk management has been provided to the Force and the NOPCC by the Planning and Policy Team within the Corporate Development department.

Whilst the current process satisfies the Force's risk management responsibilities it is not as effective or proactive as the agreed procedure was. It has been agreed with the DCC that the formal risk reviews process will be reintroduced and that the process for identifying potential new risks would be further developed.

An Information Risk Management Strategy has been approved by the FIAB and is now being implemented by IAOs. Risk management strategies for other business portfolios and programmes are still in development. Risk management maturity within the Force remains relatively low, but is expected to improve as processes become embedded and experience in its use increases.

The Planning and Policy Team provides a quarterly report on strategic risk management to the FEB and the Audit and Scrutiny Panel. This includes a summary of current strategic risks and an overview of risk management activity during the reporting period.

2.4.4 Audit and inspection

Internal audit

The Force's risk based Internal Audit Plan (the Plan) for 2015/16 was agreed and presented to the Joint Audit and Scrutiny Panel (the Panel) in June 2015. The Plan was informed by the assurance mapping process which gives a dashboard view of assurance levels against functional areas and Force risks. Where an area is deemed to have limited assurance it will be recommended for inclusion in the Plan.

External audit

In respect of external audit, progress reports are provided to the Panel by KPMG to provide a summary of the work they plan to undertake for the audit year, together with a high level assessment of the risks that have been considered as part of the initial planning process.

KPMG conduct an 'interim audit visit', which takes place in April, and a 'final accounts visit', which takes place in July. Communication is on-going with the Force Finance team throughout the year and feedback is provided to the Panel on any potential risk areas arising during the year.

Outcomes from audit and inspection

An Audit and Inspection Report is presented to the FEB and the Panel on a quarterly basis to

enable the Panel to fulfil its scrutiny obligations to oversee and consider Force arrangements to deliver against audit and inspection recommendations.

2.4.5 Managing legislative change

EMCHRS L&D provide a monthly horizon scanning report for the East Midlands Region. 'Skyline' draws on a number of sources including West Yorkshire's 'On the Horizon', the IPCC 'Learning the Lessons Bulletin' and the 'College of Policing Digest'.

Any changes to finance legislation is monitored through professional network subscriptions, such as CIPFA. Potential changes are discussed by the Finance team and action taken as appropriate.

Planning and Policy have identified a requirement for improvement in the proactive identification of risk and opportunity arising from changes to legislation and national crime and justice policy. It is recommended a process is implemented to ensure robust oversight of horizon scanning outcomes and subsequent identification and assessment of risk and opportunity in consultation with the relevant lead officer.

2.5 Principle 5: Developing the capacity and capability of the Force to be effective

2.5.1 Delivering the Future (DtF)

The Capacity and Capability workstreams which were launched in 2015, they are key to the Force meeting its objectives under 'Principle 5' 'developing the capacity and capability of the Force to be effective'. The Capacity workstream will look to ensure that the Force understands the workforce as it is now and how it will be until 2020 and how to match resource to demand. It will explore our current systems and processes, allowing the Force to identify how to make them lean, yet effective, releasing capacity for the Force.

The workstream aims to review the Force's capacity, with a view to ensuring it can meet current and future demand, with the resources it has at its disposal. The Force needs to consistently review how it works and why (Check, Plan, Do), and by reviewing the processes and systems in place, the workstream will aim to provide recommendations to improve/increase Force capacity, thereby ensuring the Force continues to deliver an efficient and effective service to the public and the communities it serves.

The workstream has initiated a formal review process, based on an annual continuous review cycle, with a right first time approach to dealing with and managing demand, reducing duplication, time delays and handovers, completing tasks in an effective and efficient way, reassessing proportionality, particularly concerning the investigation of crime and reduction in the victim journey.

The main aims of the Capability workstream are to understand what officers and staff can do, what skills they have and what skills will be required in the future. The Force must ensure that officers and staff have the training, equipment and technology to meet the demand faced in protecting its communities. To achieve this, the Force has recently agreed five recommendations:

- Explicitly use the Strategic Threat and Risk Assessment as a specific category within all training request templates;
- Where there is an agreed minimum level of trained officers for statutory requirements e.g. Public Order and Civil Emergencies; the force monitors these levels and reports by exception to the Training Priorities Panel (TPP);
- Where the skills fall outside of the minimum levels prescribed by the National Policing Requirement the force agrees what levels the force requires and ensures these are both maintained and monitored via the TPP;
- The external training request template be amended to show current numbers of officers who are trained and currently hold that skill;
- To allocate an operational client lead for each area of training.

2.5.2 Induction

On commencement of 'employment' all new police officers complete the Police Constable Student Officer Learning and Assessment Portfolio (PC-SOLAP) as part of their Initial Police Learning and Development Programme (IPLDP). An equivalent SOLAP is also completed by PCSOs and Special Constables. The Professionalising Investigations Programme (PIP) provides accredited training for the development of investigative skills.

Following their initial training on the IPLDP programme all student officers complete the Police Constable Student Officer Learning and Assessment Portfolio (PC-SOLAP). A role-focused assessment portfolio is also completed in a similar way by PCSO's and Special Constables. The Professionalising Investigations Programme Level 1 (PIP) forms a part of the PC-SOLAP, and is an accredited assessment of initial investigative skills for priority and volume crime.

An 'Induction Checklist' was developed by HR which all line managers are required to complete within three months of new members of staff commencing their role, however, this was never fully implemented. It is recommended that this action is refreshed to ensure a robust and consistent induction process for new starters.

2.5.3 Training

Learning and development is delivered collaboratively by EMCHRS L&D. Each force within the collaboration holds quarterly Training Priority Panels which set the learning and development priorities. Training priorities are based on consideration of risk and forthcoming legislative changes; they are informed by both emerging national issues and local priorities.

Completion of training is formally monitored with regular reports being produced and completion / non completion records sent to BCU and department leads. Completion is discussed at every TPP meeting as part of the KPI reports.

The National Centre for Applied Learning Technologies (NCALT) Managed Learning Environment (MLE) is used to provide a range of e-learning courses to officers and staff, who are required to complete mandatory packages on topics such as Health and Safety and Information Assurance.

A link to the force e-learning calendar is provided on the EMCHRS L&D intranet page to give advanced notification of the release of NCALT packages. E-learning is also promoted via Weekly Orders and the intranet to encourage completion. Reports are received from EMCHRS on staff and officer who have completed NCALT exercises. This is also reported to the Training Priorities Panel.

Individual training needs should be assessed as part of the PDR process however there is limited assurance that PDRs have taken place consistently across the Force during 2015/16. This finding is supported by HMIC's PEEL Legitimacy Inspection. In response to this, a new PDR process went live in April 2016 which will allow officers and staff to store evidence and update objectives online throughout the year. Competency gaps can also be recorded and training and development needs identified as a result. Reports will be generated for divisional and departmental heads to assess the level of compliance within their respective areas.

2.5.4 Career pathways

Career pathways have been introduced for investigating officers during 2015/16. There is also a Senior Detective Panel which seeks to identify requirements and develop officers in specific areas. 2015/16 is also the second year of the Annual Detectives Conference which comprises of four days training for all Force detectives.

2.5.5 Succession planning

A Succession Planning Framework was agreed at the FEB in June 2015. The existing process for senior detective succession planning was extended and enhanced to include all senior police officer posts within the Force at Chief Inspector and above. Due to limited resources, the agreed Framework has not yet been implemented. Succession planning does take place in Force although not in a consistent and structured manner, it is recommended this is reviewed as part of the Strategic Alliance.

2.6 Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability

2.6.1 Community engagement and consultation

Neighbourhood policing engagement

There are a number of engagement mechanisms in place for services delivered in the community. Formal mechanisms include Victim Satisfaction Surveys, Neighbourhood Watch Meetings, Locality Boards, Key Individual Networks and Independent Advisory Groups.

The Force has developed a robust structure of strategic and local Independent Advisory Groups (IAGs) which represent different community groups across the City and County Divisions. They provide an invaluable service to the Force in three core areas; critical incidents, building trust and confidence and advising on strategies, policies and procedures.

The Neighbourhood Alert Electronic Communication System is designed to help members of the

public communicate with their local Neighbourhood Policing Team and their local Neighbourhood Watch Coordinator. The system can be used to report information about suspicious behaviour and antisocial behaviour and to allow users to be sent information about crime trends in their area and community safety and crime reduction advice. The aim is to provide up-to-date information direct to registered members to support two-way communication between members of the public, Nottinghamshire Police and Neighbourhood Watch.

There are also a number of partnership mechanisms in place to consult and engage with communities in the City. The City Council Community Cohesion Team work to reduce inequalities, discrimination and levels of deprivation and increase community engagement, promote interaction and increase safety and respect of individuals and communities.

The Respect for Nottingham Survey is commissioned by the CDP. The Survey explores the views of local residents about their local area in relation to ASB, crime and community safety and the strategic partnership between the Police and Council.

HMIC's PEEL Legitimacy inspection identified that officers and staff have a good understanding of the people they serve, however this understanding is not formally recorded, which means it cannot be shared across teams. It was recommended that 'the Force should ensure that its local teams have sufficient information available to them to improve their understanding of local communities²'. This action is being progressed by the City and County divisions to ensure adequate assurance can be provided in this area.

Digital media

At a universal level engagement takes place through social media platforms, including Facebook, Twitter and YouTube. The Force website also provides a forum for local updates from each Neighbourhood Policing Team (NPT) area along with priorities, contact details and details of engagement events. The Neighbourhood Priority Survey was introduced as part of a commitment to creating safer neighbourhoods; it allows individuals in the community to influence how their area is policed by completing a short survey which is available on the Force website.

Thematic online events are held regularly to enable the public to interact with the Chief Officer Team, with other members of the Force and the NOPCC on relevant matters.

Victim Satisfaction Surveys

The Market Research Team currently undertakes a large survey project with victims of crime, in addition to other ad hoc pieces of consultation, such as Staff Surveys, Professional Standards Directorate External Complainant Survey and engagement support.

Market Research currently manage the sampling, feedback and reporting of approximately 5,500 telephone surveys with members of the public, per year, for victim satisfaction purposes. Victim Satisfaction Surveys are structured around a number of core questions, exploring satisfaction around contacting the police, the actions taken by the police, being kept

² HMIC: PEEL Legitimacy, February 2016, p.29, <http://www.justiceinspectorates.gov.uk/>

informed, how the victim was treated. The results are reported within monthly the Performance & Insight Report, Confidence and Satisfaction dashboard, Satisfaction by Team report and also at Organisation Performance Review meetings.

2.6.2 Workforce engagement and consultation

The Force consults with the trade unions when proposing changes in pay and conditions which are not set nationally. Consultation with Police Staff Associations takes place at the Joint Negotiating and Staff Consultative Committee, chaired by the Chief Constable.

A Memorandum of Understanding between the Force and the Diversity Staff Support Associations (DSSAs) documents agreed arrangements between the Force and DSSAs in terms of funding, use of ICT and facilities and the implementation of a DSSA Support Manager who will receive regular updates on DSSA agendas.

The People Survey, which was developed by Durham University, took place in June 2015. Outcomes were explored by Senior Managers through further interviewing of officers and staff. The resulting data was assessed qualitatively by the Research function and discussed at a Senior Leadership Conference in order to identify and prioritise actions. Implementation of the actions is being monitored via the People Board, which provides a forum for attendees from the across the organisation to discuss ideas and suggestions to improve the working environment.

The Force intranet provides an informal forum for internal feedback including online chats and discussion forums which enable staff to voice issues that matter to them with members of the Chief Officer Team or relevant department such as the MFSS discussion forum.

3.0 Review of effectiveness

Nottinghamshire Police has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework. The review of effectiveness is informed by the work of the Chief Officer Team, the Heads of Divisions and Departments and other senior managers within the Force who have responsibility for the development and maintenance of the systems of internal control. It is also informed by the reports of the Force's internal auditors and external inspectorates, such as HMIC.

During the review, each Chief Officer Team member and Divisional and Departmental Head have provided the Chief Constable with a comprehensive, signed Statement of Assurance which outlines their compliance with the Force's governance framework during 2015/16. An overall Force response has been summarised in this Statement.

Where weaknesses in internal controls have been identified, improvement actions have been established, which will be addressed during the forthcoming financial year. Outcomes will be monitored by the FEB and the Joint Audit and Scrutiny Panel, on a quarterly basis.

4.0 Improvement actions

The review process to support the production of the Annual Governance Statement in 2015/16

identified a number of improvement actions, which are summarised in Appendix A of this report. These have been agreed with the respective Divisional and Departmental Heads to address weaknesses identified in the Force's systems of internal control. These issues are significant in that they cover a large proportion of the organisation's activities and/ or are key risk controls and therefore require a corporate solution.

Please see Appendix B to this Statement for an update on the improvement actions identified in the Force's 2014/15 Statement.

Chief Constable and Chief Finance Officer Declaration

We propose over the coming year to take steps to address the improvement actions identified in Appendix A 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 as part of our next annual review.

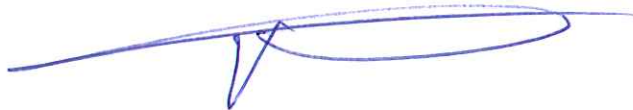
Signed



Date 15.09.2016

Sue Fish
Chief Constable

Signed



Date 15.09.2016

Paul Dawkins
ACO Finance and Resources
Chief Financial Officer

Appendix A: Identified improvement actions from 2015/16

The following improvement actions were identified for 2015/16, these are summarised according to the relevant governance principle.

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

Identified improvement action(s):	Lead Dept.
Negotiation should take place between the PCC, Nottinghamshire Police and MFSS to establish how the current authorisation limits, as agreed within the scheme of delegation, can be embedded into the current purchasing process. All approval of purchases should then be in line with the agreed Scheme of Delegation and Financial Regulations. (Mazars, Core Financials)	Finance
The Force should review its Expenses Policy to ensure it remains fit for purpose and includes clear guidance on all categories of expenses and those which are appropriate to be claimed through the self-serve systems. The review should also ensure that authorised limited for categories of expenditure remain valid. (Mazars, Core Financials)	Human Resources
The NOPCC should undertake a review of the Governance and Decision Making Framework to ensure it remains up to date and fit for purpose in terms of the way decisions are required to be made. Particularly those with a non-financial impact (or of significant public interest) which are not currently covered in the Working Together document. (Mazars, Joint Code of Corporate Governance)	NOPCC
Contracts should be in place for all purchases over £25000 and these should be signed by all parties prior to the commencement of the contract. (Mazars, Procurement)	EMSCU
A formal approval process should be established within the Force before new suppliers are entered into the Oracle system. (Mazars, Procurement)	Finance
Management should look to implement an exception reporting system in conjunction with the MFSS to monitor payments which are outside of the approved process. (Mazars, Procurement)	Finance

Principle 3: Promoting values for the Force and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Identified improvement action(s):	Lead Dept.
Conduct further training with IAOs during 2016/17 to ensure they fully understand their roles and responsibilities, including ownership of information risk and attendance at FIAB.	Information Management
Implement a strategy for the further development of MoPI in Force, which provides a detailed improvement delivery plan.	Information Management

Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Identified improvement action(s):	Lead Dept.
Introduce a mechanism for publishing key decisions made at the FEB, both internally and externally, in line with the ICO Publication Scheme.	Corporate Comms
Ensure consistency in publishing key decisions from the FEB on the intranet to promote internal transparency and engagement.	Corporate Comms
Introduce a quarterly update to the FEB on improvement actions identified in the AGS to ensure robust oversight of implementation.	Corporate Development
Evaluate, review and further develop the risk management and information risk management process to enable effective decision making within the Force and the NOPCC.	Corporate Development
Re-establish a formal quarterly risk review and reporting process and further develop the process for identifying potential new risks.	Corporate Development
Implement a process to ensure robust oversight of horizon scanning outcomes and subsequent identification and assessment of risk and opportunity in consultation with the relevant lead officer.	Corporate Development

Principle 5: Developing the capacity and capability of the Force to be effective

Identified improvement action(s):	Lead Dept.
It is recommended that proper recording and reporting mechanisms are developed for skills and training of officers and staff through MFSS. This is critical to ongoing delivery of appropriate training.	MFSS

Review the requirement for formal succession planning framework as part of the Strategic Alliance.	Human Resources
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Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability

Identified improvement action(s):	Lead Dept.
The Force should ensure that its local teams have sufficient information available to them to improve their understanding of local communities. (HMIC: Legitimacy)	City and County Division

Appendix B: Update of improvement actions from 2014/15

The following is a summary of recommendations for improvement identified in the 2014/15 AGS alongside the Force's response.

Identified improvement action(s)	Force response
<p>The Force should implement its plans for a new and affordable operating model in order to reduce long term risks to policing services.</p> <p>(HMIC: Valuing the Police Inspection, October 2014)</p>	<p>This recommendation continues to be addressed under the Designing the Future Programme (DtF). New Response and Public Protection operating models were implemented during 2015. A new Thematic Policing Model is set to be introduced during mid-2016.</p>
<p>Address concerns about inconsistencies with investigation offending, the importance of supervision and the need for professional training.</p> <p>(HMIC: Crime Inspection, October 2014)</p>	<p>The Force is dedicated to professionalising investigations, in order to address inconsistencies and to improve supervision the following has been implemented. Every month there is a Professionalising Investigations meeting that has several work streams including Disclosure, Investigative Interviewing, Proportionality and Investigations Standards. These areas are dip tested to ensure consistency and high standards are maintained.</p> <p>Supervisors' briefings have been implemented for Investigations, which include hints and tips around the Golden Hour and the 5 Building Blocks. Sergeants have also been on a back to basics training course that looks to refresh their knowledge on disclosure and file quality. The Force has also implemented Career Pathways which aims to rotate the skills of the DC's and DS' to ensure an omni-competent workforce. In March 2016 there were four Crime Conferences for DC's, PIO's and DS' which delivered CPD learning to about 400 officers.</p>

<p>Address the potential for improvements in management oversight of child protection work, including the benefits of service reviews and the use of performance data to improve services and develop work with partner agencies.</p> <p>(HMIC: National Child Protection Inspections, September 2014)</p>	<p>Work continues in this area to address a number of interdependent recommendations from HMIC with regard to child protection. Implementation of actions will be overseen by the FEB and the Joint Audit and Scrutiny Panel.</p>
<p>The Force should review its capacity and capability to carry out proportionate investigations into public complaints to minimise delays.</p> <p>(HMIC: Police Integrity and Corruption, November 2014)</p>	<p>Action complete. Resources within PSD are regularly reviewed to manage workload; recent data from the Independent Police Complaints Commission (IPCC) shows that the Force is now in line with national averages with regard to investigations into public complaints.</p>
<p>Recommend development of an information management strategy, which should clarify responsibilities and procedures across areas including records management, information security and data quality.</p> <p>(Baker Tilly: Information Management, July 2014)</p>	<p>Action complete. An Information Management Strategy was developed in 2015/16 to set out a roadmap for further developing IM capability and effectively embedding an information assurance culture across the Force. Implementation is on-going.</p>
<p>Recommend tighter procedures and documenting of actions taken in compliance with the Code of Practice for Victims, and also a more formal approach to the delivery and monitoring of training with the Code.</p> <p>(Baker Tilly: Code of Practice for Victims of Crime, July 2015)</p>	<p>Action partially complete. A briefing has been published on the Force intranet to give officers and staff 'Important Victim of Code of Practice Pointers' to ensure compliance with the Code. Sergeants on Division have also been asked to brief their teams with regard to changes and requirements. These will also be communicated through weekly orders.</p> <p>Officers are required to document</p>

	<p>details of the needs assessment at the point of entering a crime occurrence onto Niche, unless there are extenuating circumstances.</p> <p>Training continues to be monitored through EMCHRS.</p>
<p>Develop and deliver the Force's Special Constabulary and Volunteers Strategy.</p> <p>(Baker Tilly: Volunteering, April 2015)</p>	<p>Action complete. The Citizens in Policing Department Strategic Plan and associated delivery plan is now being implemented.</p>

Glossary of Terms and Abbreviations

The definitions within the glossary are designed to give the user an understanding of the technical terminology contained in the Statement of Accounts and a guide to the abbreviations used.

Accounting Policies

These are a set of rules and codes of practice used when preparing the Accounts.

Accrual

A sum included in the final Accounts to cover income or expenditure attributable to an accounting period for goods supplied and received or works done but for which payment has not been received or made by the end of the period.

Budget

This is a statement of the financial plans for a specific period of time. A budget is prepared and approved by the Commissioner prior to the start of the financial year. The budget is prepared on an outturn basis, which means that increases for pay and prices during the financial year are contained within the total budget figure.

Chief Constable of Nottinghamshire (the Chief Constable)

Comprehensive Income and Expenditure Statement (CIES)

Depreciation

The measure of the consumption or other reduction in the useful economic life of a fixed asset, whether arising from use, passage of time or obsolescence through technological or other changes.

Emoluments

All taxable sums paid to or received by an employee including the value of any non-cash benefits received.

Financial Year

The period covered by a set of financial Accounts – the Chief Constable financial year commences 1 April and finishes 31 March the following year.

International Financial Reporting Standard (IFRS)

These standards are developed by the International Accounting Standards Board (IASB) and regulate the preparation and presentation of Financial Statements. Any material departures from these Standards would be disclosed in the notes to the Accounts.

Nottinghamshire Office of the Police and Crime Commissioner and it's Group (The Group)

Remuneration

Reward for employment in the form of pay, salary, or wage, including allowances, benefits (such as company car, medical plan, and pension plan), bonuses, cash incentives, and monetary value of the non-cash incentives.

Revenue Expenditure

The day to day running costs incurred in providing services.

The Act

The Police Reform and Social Responsibility Act 2011

The Code

The Code of Practice on Local Authority Accounting for the relevant year