

To: Joint Audit Committee

Date: 14th December 2016

By: Alison Bolton, Chief Executive

Title: Review of Scheme of Corporate Governance

Purpose of Report/Issue:

The PCC and Chief Constable (CC) have in place a Scheme of Corporate Governance which comprises a number of elements as follows.

- **Code of Corporate Governance**
This sets out how the PCC/CC will achieve the core principles of 'good governance'.
- **Framework of Decision-Making and Accountability**
This describes how the PCC will make/publish key decisions and fulfil his responsibilities to hold the CC to account. It also sets out the role of the Audit Committee.
- **Scheme of Delegation for the PCC and CC***
This sets out the key roles of the PCC/CC and those functions they delegate to others.
- **Memorandum of Understanding* (schedules are Surrey-specific)**
This document sets out the cooperative arrangements between the PCC and CC for the provision of business support and administration. The CC has a requirement under section 2(5) of the Police Reform & Social Responsibility Act 2011 to exercise his powers in such ways as are reasonable to assist the PCC in the exercise of his functions. The Office of the PCC is necessarily reliant on the Force for on-going support. However it is important to articulate the expectations of both parties in this regard.

The schedules to the MOU the attempts to describe how, in an arrangement where the CC employs the majority of the staff and the PCC owns all assets, the two parties will work together and ensure sufficient support in areas such as estates management, procurement, finance, HR, communications and corporate development.

- **Financial Regulations***
This sets out the framework for managing the PCC's financial affairs.
- **Contract Standing Orders***
This describes the rules for the procurement of goods, works and services. Contracts are issued in the name of the PCC and the CC operates within the parameters of Contract Standing Orders.

The scheme must be kept under review. Those elements of the scheme marked * are shared with Sussex Police/OPCC, who have been consulted as part of this review. At the last meeting, the Committee considered revisions to Contract Standing Orders and Financial Regulations. This report considers changes to the following documents:

- **Code of Corporate Governance:** re-drafted to align with the recently published CIPFA guidance on good governance
- **Framework of Decision-making and Accountability:** minor amendments to reflect the governance arrangements of the newly elected PCC
- **Scheme of Delegation:** minor amendments to reflect changes to job responsibilities
- **Memorandum of Understanding:** minor amendments to reflect changes in ways of working (e.g. provision of legal services)

Where appropriate, amendments are show as 'track changes'.

Revisions to the documents have been shared with colleagues in Surrey Police and Sussex Police/OPCC. No proposed changes have been received.

The Committee has a remit to consider and comment on the adequacy of the Scheme of Corporate Governance and review and comment on the desirability of any proposed changes prior to approval by the PCC.

Recommendation(s) –

That the Committee reviews and comments on the Scheme of Corporate Governance prior to approval by the Police & Crime Commissioner.

Equalities / Human Rights Implications – None arising.

Risk- As discussed in the report.

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